REDCO Rochester Economic Development Corporation

Thomas S. Richards, Mayor
City of Rochester, NY

City Hall Room 005A
30 Church Street
Rochester, New York
14614-1290

June 20, 2011 Board of Directors Meeting Minutes

Directors Present: Gary Bonadonna, Jr., Carlos Carballada, Bret Garwood, Sergio Esteban, Brian Roulin, Ruth Scott, Elaine Spaull, Dale Trott, Julio Vazquez, Lovely Warren

Staff Present: Donald Crumb, Esq., Mark Fitzstevens, Sharon Langdon, Thad Schofield

Secretary Present: David J. Balestiere

Guests Present: Evan Bussiere, Esq. and Tim Favaro, Esq., of CHW (Cannon Heyman & Weiss, LLP), 726 Exchange St., Suite 516, Buffalo, NY 14210

Carlos Carballada called the meeting to order at 12:08 p.m.

I. Approval of May 10, 2011 Board of Directors Meeting Minutes:

Sergio Esteban motioned to approve the May 10, 2011 REDCO Board of Directors minutes, Lovely Warren seconded, and the minutes were unanimously approved. NOTE: Elaine Spaull was not present for this vote.

II. Resolution – Authorization for REDCO to Submit 2011 New Markets Tax Credit Application

Bret Garwood made this presentation. The Directors reviewed a resolution authorizing REDCO, as managing member of REDCO, LLC, to approve REDCO, LLC to prepare and submit a New Markets Tax Credit (NMTC) application.

REDCO is seeking to submit an application to the Community Development Financial Institution's Fund of the U.S. Department of the Treasury for up to $50,000,000 in NMTC allocations. The NMTC Program allows a NMTC sponsor to allocate tax credits to development projects located in low-to-moderate income census tracts. To be eligible to receive NMTC allocations, the entity must be a non- profit development corporation. If successful, REDCO, LLC would provide tax credits for specific large scale planned City of Rochester development projects. REDCO, LLC was formed several years ago for the express purpose of seeking NMTC allocations. REDCO, LLC was unsuccessful at the time, but the entity was not dissolved.

Bret Garwood cautioned the Board that the NMTC application process is extremely competitive, and that there are no guarantees that REDCO, LLC will ultimately be awarded an allocation. The law firm of Cannon Heyman & Weiss, LLLP, which specializes in NMTC applications, will be assisting REDCO, LLC in the application process.

Sergio Esteban motioned to approve, seconded by Elaine Spaull and the resolution was unanimously approved.

III. Resolution – REDCO Professional Services Agreement – 2011 New Markets Tax Credit Application

Bret Garwood made this presentation. The directors reviewed a resolution authorizing REDCO, as to enter into a new professional services agreement (PSA) with the law firm of Cannon Heyman & Weiss, LLP (CHW)< to assist REDCO in the preparation and submission of a New Markets Tax Credit (NMTC) application.

CHW specializes in assisting communities in the submission of NMTC applications and has previously worked with the City of Buffalo. The amount of the PSA will not exceed $100,000. CHW's services will include preparation of application narratives, advising on application presentation, and assisting with coordinating with lenders and investors for support of the application. Excess funds remaining after the submission of the application may be used for post-award (if any) assistance is needed by REDCO.

Ruth Scott motioned to approve, seconded by Julio Vazquez and the resolution was unanimously approved.

IV. Resolution – REDCO Professional Services Agreement – Accounting Infrastructure – 2011 New Markets Tax Credit Application

Bret Garwood made this presentation. The Directors reviewed a resolution authorizing REDCO, as to enter into a new professional services agreement (PSA) with the accounting firm of Novogradic & Company, LLP (NC) to assist REDCO in the preparation and submission of a New Markets Tax Credit (NMTC) application.

NC specializes in assisting communities in the submission of NMTC applications, specifically assisting in creating an accounting infrastructure. The amount of the PSA will not exceed $4,000.

Sergio Esteban motioned to approve, seconded by Dale Trott and the resolution was unanimously approved.

V. REDCO Executive Committee Resolution

David Balestiere presented this request. The Directors reviewed a resolution authorizing REDCO to appoint five Directors to serve on the REDCO Executive Committee (EC).

REDCO's By-Laws provide for the establishment of a five person EC which has the full power of the Board (with the exception of major business decisions as defined by New York State not-for-profit corporation law). The purpose of the EC is primarily to approve non-substantive items or make modifications to existing approved resolutions which are either time-sensitive or are non-substantive enough to not warrant convening a full Board meeting. The five members of the EC will be President R. Carlos Carballada, Director Lovely Warren, Vice President Bret Garwood, Director Richard Mueller and Director Sergio Esteban.

Julio Vazquez motioned to approve, seconded by Elaine Spaull and the resolution was unanimously approved. Since ten Directors voted in favor of the resolution, the approval meets the requirements of the REDCO By-Laws, which require that a majority of the Board of Directors are required to approve resolutions which establish or appoint members to the EC. Since REDCO currently has 17 Directors, this By-Law requirement was satisfied by the ten person unanimous vote.

VI. Other Business

None

The meeting was adjourned at 1:50 p.m.

ATTEST: _____

David J. Balestiere, Secretary

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