



March 22, 2019 REDCO Board of Directors Meeting Minutes

Directors Present: Mayor Lovely Warren, Gary Bonadonna, Dana Miller, Jennifer Berrios, Dick Mueller, Ruth Scott, David Rodriguez, Julio Vasquez, Willie Lightfoot, Keith Cleary, Loretta Scott and David Young

Staff Present: Tim Curtin, Eric Van Dusen, Anna Keller, Corinne Palermo and Julie St. Clair.

Secretary Present: Thaddeus Schofield

Dana Miller called the meeting to order at 12:01 pm

- I. Dana Miller presented the meeting minutes from the February 22, 2019 Board of Directors meeting. Keith Cleary motioned to approve the minutes, seconded by Ruth Scott, and the minutes were unanimously approved.
- II. **Presentation** – Mayor Lovely Warren spoke about REDCO's mission and its future direction. With over \$14 million in incoming funding expected, REDCO anticipates impacting economic development efforts even more in the future. The Mayor discussed the need to shift the way REDCO operates as a true economic development agency. It is important to provide investment to low income communities.

The Revitalize Rochester Fund is the next big step for REDCO, which will assist in building Rochester Commercial Corridors. The Mayor discussed the need to build REDCO's capacity to be successful with this initiative. This will include hiring additional staff to help in assisting more development projects in the city of Rochester.

Other communities such as Detroit, Kansas City and Newark have taken similar steps with their economic development efforts. These entities are redefining municipal economic development by offering more creative financing, real estate development and creating sustainable revenue streams.



REDCO is engaging RIT to try and secure a faculty expert who has extensive experience building similar organizations to help guide our efforts in Rochester. With all these resources on the horizon, REDCO's outlook has never been more exciting. The Mayor is confident that we can build both REDCO's capacity to deliver the Revitalize Rochester Fund as well as move forward with REDCO leading the way for Rochester's Economic Development.

- III. **Presentation & Resolution** – Anna Keller discussed the request for board approval of the Alliance Building loan ownership structure. The request was made for Lacey MK LLC to replace DHD Ventures Capital, LLC's 50% ownership in 183 East Main Street, LLC. Lacey MK LLC is 100% owned by Lacey (Morgan) Katz. The Robert Morgan Limited Partnership IV will remain a 50% owner in the company.

A project update was provided. This update included that construction is anticipated to be completed in April of 2019.

Loretta Scott motioned to approve the amended ownership structure, seconded by Jennifer Berrios, and the resolution was unanimously approved.

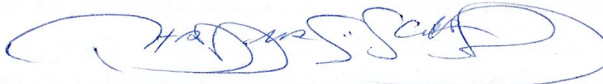
- IV. **Presentation & Resolution** – Eric Van Dusen presented California Rollin's request for a \$30,000 loan from REDCO's Revolving Loan Fund, and \$10,000 grant from REDCO's Philip J. Banks program.

California Rollin is a restaurant located at 1000 North River Street that offers a sushi menu and is located at the Port of Rochester. The business is seeking to expand and upgrade their operations which will allow for an increase in total seats to 94. The business currently employs 20 individuals during the summer months, and 6 during winter. Projected job creation is for an additional 4 individuals to be hired over the next three years. REDCO funding will be utilized to assist with these expansion and upgrading efforts. The loan will be secured by a first position blanket lien on the FF&E of \$15,000 to be purchased and on existing FF&E with approximate market value of \$85,288. The loan will also be personally guaranteed by Thomas C. Beaman, Jr. and corporately guaranteed by California Rollin II, Sushi Bar, Inc. Ruth Scott motioned to approve the resolution, seconded by Dave Young, and the resolution was unanimously approved.

- V. **Presentation** – Thad Schofield provided an update to the property REDCO owns at 55 Science Park. REDCO sold the property to Mammoth Property Holdings LLC (DBA Mastodon Design) on March 8th, 2019 for an amount of \$1,850,000 with additional closing costs. Mastodon Design is a growing high-tech firm within the city of Rochester and currently employs approximately 63 individuals.
- VI. **Presentation** – This was an informational presentation to the REDCO board from Lomax Campbell who provided an overview of the Financial Empowerment Center (FEC). THE Office of Community Wealth Building (OCWB), in partnership with the Cities for Financial Empowerment Fund (CFE Fund), is planning for the launch of the Financial Empowerment Centers model in Rochester. The program offers free, professional one-on-one financial counseling as a public service to residents.
- In order to launch the FEC program, the OCWB must secure a minimum of \$150,000 in private funding for the first year of operations, which will be matched by CFE funding. In the future, the OCWB may ask REDCO to serve as a fiscal sponsor for the FEC program.
- IV. Other business included Thad Schofield discussing REDCO's financial summary. Thad also noted the next regularly scheduled board meeting will be held on April 17th, 2019.

The meeting was adjourned at 1:07 pm.

ATTEST: _____



Thaddeus S. Schofield, REDCO Secretary