



**STEVEN BELLONE**  
*County Executive*

**ACCEPTED BY BOARD  
MEMBERS ON 10/22/20**

**DRAFT MINUTES**  
**SCEDC REGULAR MEETING**  
**MAY 28, 2020**

**PRESENT**

Natalie Wright, Chair  
Kevin Harvey, Vice Chair  
Anthony Giordano, Secretary  
Gregory Casamento, Member  
Joshua Slaughter, Member

**ABSENT**

Sondra Cochran, Treasurer

**ALSO PRESENT**

Jonathan Keyes, Executive Director/CEO, Suffolk County EDC  
Lisa Broughton, Deputy Executive Director/CFO, Suffolk County EDC  
Angela Glaser, Executive Assistant, Suffolk County EDC,  
William Wexler, Corporation Counsel  
William Weir, Partner, Nixon Peabody LLP  
Cornelia Cahill, Esq., Transaction Counsel, Barclay Damon  
Andrew Komaromi, Partner, Harris Beach PLLC  
William Dudine, Partner, Katten Muchin Rosenman LLP  
Tony Catapano, Executive Director, Suffolk County IDA  
Kelly Morris, Deputy Executive Director, Suffolk County IDA  
Stephen Mack, EVP/Finance & Admin./CEO, SCO Family of Services  
Suzette Gordon, General Counsel, SCO Family of Services  
Kevin Gremse, Senior Director, National Development Council (NDC)  
Ann Finnegan, President, Community Impact Loan Fund  
Christina Delisi, Legislative Aide, Suffolk County Presiding Officer Robert Calarco

The May 28, 2020 Annual/Regular Meeting of the Suffolk County Economic Development Corporation (“SCEDC”) was held, electronically, via Zoom conference call, pursuant to Executive Order No. 202.11 - Continuing Temporary Suspension And Modification Of Laws Relating To The Disaster Emergency - by Governor Andrew M. Cuomo of the State of New York.

Natalie Wright, Chair of the SCEDC, called the meeting to order at 12:32 pm, and asked Jonathan Keyes, Executive Director/CEO of the SCEDC, to do a roll call.

## **I. PUBLIC COMMENT**

Jonathan Keyes indicated that public comments could be emailed to [SuffolkEDC@suffolkcountyny.gov](mailto:SuffolkEDC@suffolkcountyny.gov) or mailed to the Suffolk County Economic Development Corporation.

## **II. NEW BUSINESS**

### **A. SCO Family of Services – Resolution for Final Inducement**

Andrew Komaromi stated that this was a bond resolution approving \$8.5 million in tax-exempt and/or taxable bonds for one or more series for SCO Family of Services (“SCO”). Mr. Komaromi indicated that SCO had received preliminary approval at the last SCEDC Board Meeting on April 23, 2020, and that a public hearing was held telephonically through a toll-free number on May 27, 2020, where no members of the public appeared, and that the project was unchanged since the presentation at the preliminary approval stage. Lisa Broughton, Deputy Executive Director/CFO of the SCEDC, injected that a SEQRA determination had been made and that it was an unlisted action and negative declaration and that in approving the final inducement, the Board would also be adopting the SEQRA determination.

After further discussion and;

Upon motion made by Anthony Giordano, and seconded by Kevin Harvey, it was:

RESOLVED, to approve final inducement to SCO Family of Services for tax-exempt and/or taxable bonds in the amount of \$8.5M.

Unanimously carried 5/0.

### **B. First Generation Retail Loan**

Ms. Wright introduced the second order of business, a resolution modifying the terms of a loan granted under the First Generation Transit Oriented Development Retail

Revolving Loan Fund. Ms. Wright asked Jonathan Keyes to explain the program in more detail.

Mr. Keyes explained that the First Generation Retail Loan was a loan program set up a few years ago to support new retail spaces in transit-oriented development areas. Mr. Keyes indicated that there was one recipient under the loan, Island Jerk in Wyandanch, who used the loan to successfully open a business. Mr. Keyes said that he had been in touch with the owner of Island Jerk, and in light of their discussions regarding the COVID-19 Pandemic and its effects on small businesses, he wanted to extend to Island Jerk a form of relief on the loan, modifying the terms to allow the owner to manage the payments over a longer period of time, in effect suspending payments for one year, interest free, and allowing the owner to catch up in a year from now. Mr. Keyes said he knew the owner for a long period of time and, based on her history had remained in good standing with the SCEDC, had a successful business, and he thought it would be a good way to support her during this difficult time.

After further discussion and;

Upon motion made by Joshua Slaughter, and seconded by Gregory Casamento, it was:

RESOLVED, to approve modifying the terms of the First Generation Retail Loan to Island Jerk, extending the loan for one year, interest free.

Unanimously carried 5/0.

#### **A. NY Forward Loan Program**

Ms. Wright addressed the next order of business saying that it was a loan program making a contribution of \$250,000 to leverage \$5M of loans through the NY Forward Loan Program, and asked Jonathan Keyes to elaborate.

Mr. Keyes said it was a very exciting opportunity in that recently New York State had announced the availability of up to \$100M in small business-assisted loans through the NY Forward Loan Program to support small businesses during this difficult time. Mr. Keyes indicated that fortunately the SCEDC had had an opportunity to partner with National Development Counsel (“NDC”), one of the five CDFIs working on the NY Forward Loan Program, to turn SCEDC’s \$250,000 contribution into \$5M in loans to support small businesses in Suffolk County. Mr. Keyes then asked Kevin Gremse, Senior Director of NDC, to elaborate further.

Mr. Gremse began by giving some background into what NDC did, saying that the core of NDC was to provide advisory services to municipalities and economic development and housing development organizations. He indicated that over the years NDC had created a wide range of products for the client communities that they work in. Mr.

Gremse said that when NDC learned about the NY Forward Loan Program, they were pleased to be invited to be part of the program with the State of New York. New York State, together with its partners, mostly private banks based in New York City, raised \$100M. He said that the at-risk capital that the CDFI are asked to contribute is 5%, which is the amount that NDC was looking to obtain from the SCEDC, which is \$250,000 to be able to do \$5M in loans, subject to the availability of the \$100M fund which was raised through the private banks. Mr. Gremse stated that all businesses would apply through a common portal and could select their lender, and through its partnership with the SCEDC, he suggested that Suffolk County businesses and non-profits select NDC as their lender so that they could leverage up to \$5M in loans.

Mr. Gremse then introduced Ann Finnegan, President of the Community Impact Loan Fund, who was joining the Board Meeting via conference call as well. He said she would be running the program together with a team of loan officers, and asked her to say a few words.

Ms. Finnegan indicated that the NY Forward Loan Program was a once in a lifetime opportunity for small businesses and nonprofit organizations that had been left behind by the Paycheck Protection Program ("PPP"). She said New York State was committed to prioritizing working capital loans for small businesses employing less than 20 people, businesses with less than \$3M in annual revenue, and those businesses not able to access Federal assistance through the Paycheck Protection Program. Ms. Finnegan said that her organization was prioritizing small businesses and nonprofit organizations located in distressed areas and those businesses owned by minority and women entrepreneurs. She indicated they would be making working capital loans of up to a maximum amount of \$100,000, with 2% interest only on the first year for loans to small businesses, and 3% interest only on the first year for loans to nonprofit organizations. She said that after one year borrowers would begin paying back both principal and interest, and, ideally, after 60 months borrowers would be able to pay back the entire obligation. Ms. Finnegan indicated that it was a working capital loan which was more flexible than PPP in that entrepreneurs and nonprofits could use the money to give themselves a little runway as they started back up. She said that they could also use the proceeds to buy inventory or pay rent or back rent, or to pay utilities or insurance, or to buy PPE, or do modifications to their space. Ms. Finnegan said that they were targeting lending where they had community partners, like the SCEDC, who would be willing to consider putting up the at-risk capital. She said that they would provide the technical expertise to meet the requirements of the program to underwrite the loans under the program guidelines which would, in turn, help entrepreneurs with the technical assistance to get them back on their feet. She reiterated that it could be a once in a lifetime opportunity to leverage the resources in the County because the idea was that the NY Forward Loan Program would provide 95% of every loan they made, and SCEDC's grant would fund the remaining 5% of the at-risk capital.

After further discussion and;

Upon motion made by Kevin Harvey, and seconded by Anthony Giordano, it was:

RESOLVED, to approve SCEDC's investment of \$250,000 of at-risk capital in the NY Forward Loan Program; and further

RESOLVED, to authorize the Executive Director to execute any and all agreements with NDC to participate in the NY Forward Loan Program.

Unanimously carried 5/0.

After further discussion and;

### **III. OLD BUSINESS**

There being no old business, Ms. Wright, proceeded to the next item on the agenda.

### **IV. OTHER BUSINESS**

#### **A. MINUTES**

Ms. Wright asked for a motion to accept the Draft Minutes of the April 23, 2020, Meeting.

After further discussion and;

Upon a motion by Joshua Slaughter, and seconded by Natalie Wright, it was:

RESOLVED, to accept the Minutes of the April 23, 2020  
SCEDC Board Meeting.

Unanimously carried 5/0.

Ms. Wright then adjourned at 1:00 pm.

The next Meeting of the Suffolk County Economic Development Corporation is scheduled for June 25, 2020.