



**COLLEGE TOWNSHIP
INDUSTRIAL DEVELOPMENT AUTHORITY
REGULAR MEETING MINUTES
Wednesday, April 20, 2022
1481 E. College Avenue, State College PA 16081
9:30 AM**

ATTENDED BY -

AUTHORITY MEMBERS:

Alison Kurtz, Chair
Bill Sharp, Vice Chair
Sara J. Parks, Secretary (via Zoom)
Raymond Forziat, Asst. Secretary, Asst. Treasurer
Lamar Kunes, Treasurer
Benson Lichtig
Lamartine Hood
Anthony Fragola

ADDITIONAL ATTENDEES:

Adam Brumbaugh, Township Manager
Paul Takac, Council Liaison
Jennifer Snyder, Recording Secretary
Jeff Stover, Solicitor

CALL TO ORDER:

Ms. Alison Kurtz, Chair, called to order the April 20, 2022, College Township Industrial Development Authority (CTIDA) Regular Meeting at 9:32 AM.

MINUTES:

Mr. Hood made a motion to approve the February 16, 2022 and the March 16, 2022, meeting minutes as presented.

Mr. Forziat seconded the motion.

Motion carried unanimously.

SPECIAL PRESENTATIONS: No *Special Presentation* on the agenda.

SECRETARY'S REPORT: Ms. Parks, CTIDA Secretary, had nothing to report this month.

OLD BUSINESS:

OB-1 DOMINIGHT - LOAN MODIFICATION

Chair Kurtz offered the Loan Committee met on April 7, 2022, and discussed the Dominight loan modification request from the CBICC. After meeting, the Loan Committee agreed to ask the CBICC for

a modification to the agreement. The Finance Committee asked that the agreement be modified to state that a minimum payment of 10% (gross sales) on any other sale of five (5) or more light towers. Mr. Kunes asked if the company owner had knowledge of this new modification. Chair Kurtz offered he is aware of the loan modification.

Mr. Sharp would like to see the financial statements and participating agreement on this action before moving forward. He opined that he is not able to put together a portfolio for Dominight from lack of records. Chair Kurtz offered that Mr. Stover, Solicitor, and Mr. Long, CT Finance Director, has access to all previous documents and transactions with Dominight. Mr. Stover answered in the affirmative that these documents exist and are electronic documents. Chair Kurtz offered that the CTIDA is not spending any money with this action but the modified agreement will put Dominight on a payment plan to get current with the CTIDA.

Mr. Fragola added the Loan Committee met, reviewed the agreement, and offered a modification to the agreement from CBICC to require a minimum payment of 10% (gross) of future sales of light towers. He added this modification would also require Dominight to provide financials on a monthly basis and the CTIDA can hold them to making monthly payments.

The Board discussed the profit margin for the production of the light towers. Mr. Forziat asked why the CTIDA does not know the details of the profit margin. He opined this agreement does not contain enough details. He would like to see Dominight agree to the terms of this agreement before moving forward.

Mr. Kunes offered the Board should trust the information coming out of Loan Committee. Chair Kurtz offered with the Committee structure in place, committees are tasked with reviewing the details of all information and bring recommendations back to the Board for consideration. Mr. Hood commended the committee process and offered recommendations for improvements.

Mr. Fragola made a motion to accept the Dominight Loan Modification as reviewed by the CBICC Revolving Loan Committee and recommended by the CTIDA Loan Committee with the following conditions:

- 1. Combine CTIDA Loans #1 and #2 with Dominight;**
- 2. Provide a 5-year amortization with balloon payment;**
- 3. Set a new monthly payment of \$2,000 per month for 60 months with a balloon payment at the end;**
- 4. Require a payment of \$10,000 to both the CTIDA at the receipt of each payment for 20 light towers;**
- 5. Require a minimum payment of 10% gross on any other sale of five (5) or more light towers;**
- 6. Require Dominight to provide updated financials; and**
- 7. Obligate Dominight to review financials with a professional business development company on a monthly basis.**

Mr. Kunes seconded the motion.

Ms. Parks offered she agrees with the Loan Committee recommendations regarding the modification to the loan with Dominight. She opined this modification would get Dominight current with all of his payments and encourages Dominight to provide their financial statements to the CTIDA regularly. It is a step forward.

Motion carried with a 6 – 2 vote with Messrs. Forziat and Sharp voting against the motion.

NEW BUSINESS:

NB-1 ACTUATED MEDICAL, LINE OF CREDIT EXTENSION

Chair Kurtz offered that Actuated Medical has a \$150,000 line of credit with the CTIDA, separate from the CBICC, renewable annually, 4% interest, which renews April 7, 2022. Actuated Medical is asking that the CTIDA keep this line of credit open. Actuated Medical is current on all payments.

Mr. Forziat made a motion to renew the \$150,000 line of credit with Actuated Medical to be extended for another year from the date of the agreement.

Mr. Kunes seconded the motion.

Motion carried unanimously.

NB-2 ABINGTON EQUINE – LOAN EXTENSION

Chair Kurtz offered that at the March 16, 2022, CTIDA meeting, the Board approved a loan extension for Abington Equine to June 2022. NB-2 provides the signed loan extension agreement with Abington Equine. Chair Kurtz offered a brief update on the building project.

NB-3 XACT METAL – INTEREST DEFERRAL

Chair Kurtz offered the Finance Committee reviewed a recommendation from the CBICC Revolving Loan Committee to extend a 90-day deferral on interest payments due from XACT Metal. After review, the Loan Committee recommends the Board take action to approve this interest deferral. Mr. Kunes, Treasurer, offered the amount of the deferral is approximately \$7,500.

Mr. Lichtig made a motion to accept the recommendation of the Loan Committee to approve the 90-day deferral of interest payments.

Mr. Forziat seconded the motion.

Mr. Fragola offered the Loan Committee would work to develop a policy to address requests and distinguish between clients in good standing and those that may require mediation.

Motion carried unanimously.

Chair Kurtz offered that in regards to the Good Jobs Challenge Grant submitted on behalf of the CTIDA, she has worked with the previous Executive Director to remove his name on all documents and be added as the contact person for future follow up.

Chair Kurtz added that Mr. Dan Leary would like to take Board members on a tour of the Innovation Park. Mr. Sharp will work to set up a tour of the new PSU Innovation HUB.

Mr. Fragola opined that all discussions of grant related topics should come through the Finance Committee and additionally, outreach for tours related to marketing should fall to the Marketing Committee.

Mr. Hood offered that a glossary of terms would be helpful for new members of the Board. Mr. Fragola offered to pull this list together.

Chair Kurtz added that moving forward CTIDA meetings would conclude in 90 minutes from 9:30 AM to 11:00 AM.

TREASURER’S REPORT/FINANCE COMMITTEE REPORT:

Mr. Kunes, CTIDA Treasurer, reported the Balance Sheet reflects total assets of \$2,866,451.86 as of March 31, 2022, with \$1,879,732.00 in investment accounts; \$778,509.08 in participation interest with CBICC, \$171,000.00 in credit line advances, and \$70,755.82 in the operating and money market accounts.

Mr. Kunes reviewed the income statement and noted that the investment income to-date is \$-27,788.41. Operating expenses YTD are \$11,367.99 with the net income YTD is \$-39,156.40.

NB-4 2022 IDA BUDGET

Mr. Kunes, Finance Committee Chair, reviewed the proposed budget as approved by the Finance Committee. One line item change from the 2021 actuals, interest income – participation agreement, shows an increase of \$23,439, which is based upon expected quarterly payments from all clients that have participation agreements with the CTIDA. Additionally, the Finance Committee was conservative with the budget line for the Executive Director, not knowing when a new Executive Director would be hired. This budget line assumes an Executive Director would be contracted by the 4th quarter of 2022. Funds were budgeted for advertising, outreach and marketing.

Mr. Kunes added the footnotes denote unrealized losses from the bonds that are being amortized off.

Mr. Hood made a motion to approve the 2022 Budget as presented, reviewed and approved by the Finance Committee.

Mr. Forziat seconded the motion.

Motion carried unanimously.

MARKETING COMMITTEE REPORT:

Mr. Forziat, Marketing Committee Chair, offered they met and agreed on a mission statement. The mission statement reads, “The Marketing Committee will support the mission of the College Township Industrial Development Authority through outreach to attract business by working with economic development partners.”

Messrs. Forziat and Sharp attended the Focus Central PA conference held at the Susquehanna University. The conference was very informative.

OPERATIONS TASK FORCE COMMITTEE:

Mr. Bill Sharp, Operations Task Force Committee, met and agreed on a mission statement. The mission statement reads, “The mission of the Operations Task Force Committee is to ensure the operational documents of the College Township Industrial Development Authority provide the necessary opportunity and flexibility to meet the overriding mission of the CTIDA.”

Mr. Fragola asked Mr. Stover to provide the CTIDA his fee schedule for something outside of the retainer.

ADJOURNMENT

Hearing no further matters for discussion, Chair Kurtz called for a motion to adjourn the April 20, 2022, College Township Industrial Development Authority Regular Meeting

Mr. Lichtig made a motion to adjourn.

Mr. Forziat seconded the motion.

Chair Kurtz adjourned the meeting at 10:59 AM.

Respectfully submitted,

Sara J. Parks

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CTIDA Secretary