

LUMBER CITY DEVELOPMENT CORPORATION 2010 ANNUAL REPORT

(1) OPERATIONS AND ACCOMPLISHMENTS

January 19, 2010 –

Lumber City Development Corporation (LCDC) Board received news that the City received a low bid in the amount of \$783,414.00 for the access road for Buffalo Bolt Business Park. Funding for this project is through the State CCAP Grant of \$1.2 million.

The LCDC board was presented with an update from Dave Sanford, Construction Manager with R&P Oak Hill, regarding construction status of Remington Lofts on the Canal project.

The LCDC board approved a \$50,000 loan to Bob Starr regarding the building renovation of 90-92 Webster Street as part of the Downtown Revitalization Project.

The LCDC board was informed that bids were received regarding the renovation of the Manhattan Street parking lot project. The low bid was Amherst Paving in the amount of \$263,772.50 and the funding for the project was provided by the EFC Green Innovations Program (Fed.)

February 23, 2010 –

The LCDC board had a discussion regarding the Gratwick Park Marina proposal. This was referred to Project Review committee.

The LCDC board reviewed the status report of the following projects: Buffalo Bolt Business Park, Gratwick Park fishing pier project, Gateway Harbor Inn project.

The LCDC board was told of a walking tour regarding the businesses and renovations in the Downtown Redevelopment area and a reception to follow at the Riviera Theatre. Several officials from the NYS Office of Community Renewal will be in attendance.

March, 2010 –

No meeting was scheduled.

April 20, 2010 –

The LCDC board was presented a review of the status of the renovation of 90-92 Webster Street.

The LCDC board heard a presentation from Jamie Callari regarding a draft proposal for marketing and branding of Gateway Harbor.

The LCDC board was provided a questionnaire regarding a proposed Strategic Plan for the board members to review and complete for the next meeting.

The LCDC board was presented an update of the loan (2008) to Hodgepodge Gift Shop at 72 Webster Street regarding their financials. The board approved that Hodgepodge continue to pay “interest only” on their loan until such time they are able to make principle and interest payments.

The LCDC board heard updates on the following projects; Remington Lofts on the Canal, Buffalo Bolt Business Park, Gateway Harbor Inn, Gratwick Park fishing pier project.

The LCDC board was advised, due to major fire, R.A. Miller Hardwood has filed for bankruptcy. The Corporation’s attorney, Gary Maas, Damon & Morey, is in contact with all appropriate parties in order that the Corporation may recoup some of the outstanding debt on a previous economic development loan (2008).

May 18, 2010 –

The LCDC board was presented with a further update of the progress at Remington Lofts on the Canal. Mr. Dave Sanford, Construction Manager of R&P Oak Hill, stated they are hoping for a completed build out by September 15, 2011.

Ms. Jamie Callari, Newbird Design, presented to the LCDC board an update of her proposal regarding a Branding and Marketing plan for Gateway Harbor.

The LCDC board was informed that the terms of board members Taylor, Moreau and Miranto were to expire at the end of June. A motion was unanimously passed that all three members be extended for another three-year term.

The LCDC board was informed that \$149,878 will be the settlement for the Corporation regarding the R. A. Miller Hardwood bankruptcy.

June, 2010 –

No meeting was scheduled.

July 27, 2010 (Annual Meeting) –

The LCDC board of directors unanimously approved a motion to elect Doug Taylor as Chairman, Dave Gross as Vice-Chairman, Andrea Moreau as Treasurer, and Steve Adams as Secretary.

The LCDC board was informed that reactions regarding a Gateway Harbor Committee and the Chamber of Commerce were mixed regarding the Gateway Harbor marketing and branding proposal.

The LCDC board was advised that interviews for the part-time accountant position were ongoing and the Personnel Committee will advise as to the new hire.

The LCDC board approved the following Microenterprise applicants:

Yummy Thai Restaurant	\$20,000
(Start-up located at 92 Webster Street)	
Gleam & Glimmer	\$ 5,000
(Relocated stain glass business located at 34 Webster Street)	
Allan Herschell Company	\$35,000
(Provide “Kiddieland” ride on property located at Herschell Carrousel Factory Museum)	
Pencil in the River Studio	\$20,000
(Digital arts reproductions & retail located at 83 Webster Street)	

The LCDC board was advised that Applied Technology and Management were chosen by the City to conduct a feasibility study for the Gratwick Park Marina.

August, 2010 –

No meeting was scheduled.

September 21, 2010 –

The LCDC board approved \$25,000 of funding for Jacobs Ladder to be added to existing economic development loan (2006), with the same terms and conditions. The funding will be utilized as working capital to extend the licensing agreement between the Corporation and NBC to market the “Biggest Loser Ladder” proposal.

The LCDC board approved an economic development loan for Vito’s Avenue Pizzeria, located at 232-236 Zimmerman Street to assist with their current expansion. The loan would have a term of 10 years with a 7 year call at a rate of 3%.

The LCDC board approved the allocation of \$300 for a “directory” advertisement in Trade & Industry Magazine.

The LCDC board received the resignation of board member Brendan Brick.

The LCDC board reviewed the ongoing project at 90-92 Webster Street. Due to project overruns, approved an additional \$19,093 to be added to the existing \$50,000 loan in order to complete the project.

The LCDC board approved a request to grant the Riviera Theatre the amount of \$25,500 to assist with the organization’s capital marketing campaign. (Historic)

The LCDC board approved a request to grant the Carrousel Museum the amount of \$20,000 which will assist with their renovation campaign. (Historic)

The LCDC board approved a request to grant to the Carnegie Art Center in the amount of \$4,500 to assist with the refurbishment of the original windows. (Historic)

October, 2010 –

No meeting was scheduled.

November 30, 2010 –

The LCDC board approved a request to defer loan payments on the current loan for Dockside Inn until May of 2011 and to also refinance outstanding principal balance of \$24,500 at a term of 10 years at a rate of 3%.

The LCDC board was informed that the website, (newbirddesign.com/gateway/) is up and running and the board members are to review the content and images.

The LCDC board heard a review of the personnel guidelines being established by the Personnel Committee.

The LCDC was presented a proposal regarding new “period” lighting for the Manhattan Street parking lot. After further discussion, the LCDC board approved an allotment of \$15,000 to cover the cost of the lighting. The cost will be included under the NYS Main Street Program and installation of the lights will be done by the City of North Tonawanda.

The LCDC board was informed that the Niagara County Small Business Development Center has nominated the Lumber City Development Corporation for consideration for the Small Business Administration’s Financial Services Champion Services Award.

December, 2010 –

No meeting was scheduled.

Summary –

- 1) 2 Economic Development loans aided in the retention and creation of 9 jobs
- 2) 4 Microenterprise grants aided in the retention and creation of 5 jobs
- 3) Financial Reports – See website www.lumbercitydc.com
- 4) Mission Statement – See website www.lumbercitydc.com
- 5) Schedule of bond and Note Outstanding – N/A
- 6) Compensation Schedule for salaries in excess of \$100,000 – N/A
- 7) Biographical information for all persons with salaries in excess of \$100,000 – N/A
- 8) Projects undertaken during the past years – See Operations and Accomplishments
- 9) Real Property Disposed of or Acquired – N/A
- 10) Code of Ethics – See website www.lumbercitydc.com
- 11) Assessment of Internal Controls – See website www.lumbercitydc.com
- 12) Description of the Corporation and Board Structure – See website www.lumbercitydc.com
- 13) Charter and Bylaws – See website www.lumbercitydc.com
- 14) Listing of Material Changes in Operation or Program – N/A
- 15) Four Year Financial Plan – See website www.lumbercitydc.com
- 16) Board Performance Evaluations – N/A
- 17) Description of total amount of assets, etc. –
- 18) Pending Litigation – N/A

Prepared by James B. Sullivan, Executive Director