



Central New York Regional Planning & Development Board

126 N. Salina St., 100 Clinton Square, Suite 200, Syracuse, New York 13202 • Tel.(315) 422-8276 • Fax 422-9051

Walter Tennant, Chair

David V. Bottar, Executive Director

CNY RPDB Meeting

June 15, 2011

12:00 noon – 1:30 p.m.

**126 North Salina Street
Syracuse, New York 13202**

(100 Clinton Square Building -
Lower Level Conference Room)

Chairman Walter Tennant, Presiding

AGENDA

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| 1. | Call to Order | Walter Tennant |
| 2. | Approval of Day's Agenda and
Minutes from the April 13, 2011 Meeting | Walter Tennant |
| 3. | Small Business Assistance in Central New York <ul style="list-style-type: none">• Bernard J. Paprocki, Syracuse District Director,
U.S. Small Business Administration• Patricia C. Higgins, Director, Small Business
Development Center at Onondaga Community College | Bernard J. Paprocki
and Patricia C. Higgins |
| 4. | Executive Director's Report <ul style="list-style-type: none">• Executive Committee Meeting July 20, 2011• Board Meeting August 17, 2011 | David Bottar |
| 5. | Old/New Business | Walter Tennant |
| 6. | Adjournment | Walter Tennant |

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MINUTES

Central New York Regional Planning and Development Board Board of Directors Meeting June 15, 2011

ATTENDANCE

Board Members: Dan Dineen, Shawn Doyle, Scott Ingmire, Stephen Lynch, William Meyer, Roger Mills, Ann Petrus, Kathleen Rapp, Morris Sorbello, William Southern, Walter Tennant, Michael Treadwell, Steve Zabriskie, Paul Vickery, Keith Welch, Donal Spaulding, Danny Ross, and James Rafté

Guests: Trisha Botty, Assemblyman Roberts' office; Candice Celestin, U.S. Department of Agriculture; James Corl, Cicero Town Councilor; Jason Feulner, Congressman Buerkle's office; Kipp Hicks, Madison County IDA; Patricia Higgins, Speaker, Small Business Development Center, Onondaga Community College; Carolyn May, Onondaga County Office of Economic Development; Bernard Paprocki, Speaker, U.S. Small Business Administration; Cassie Rose, City of Oneida Department of Planning and Development; Dave Schermerhorn, U.S. Department of Agriculture RD; John Ferguson, Assemblyman Magnarelli's office; Chris Stewart, U.S. Department of Agriculture RD; Alex Walsh, Senator DeFrancisco's office; Lauren Williams, Assemblyman Roberts' office; Jennifer Cappucilli, U.S. Department of Agriculture RD; Jessica Shanley, U.S. Department of Agriculture RD; Terry Karst, Oneida ODA; Joan Powers, Small Business Development Center, Onondaga College; Alex Marion, Senator Charles E. Schumer's office.

Staff: David Bottar, Kathleen Bertuch, Christopher Carrick, Jeanie Gleisner, Samuel Gordon, Bruce Keplinger, David Kubek, Karen Novak, Brian Pincelli, Cindy Reilly, Michael Rosanio, Anne Saltman and Kay Wakeman.

BUSINESS MEETING

1. CALL TO ORDER

Chairman Walter Tennant called the meeting to order at 12:25 p.m. at the office of the CNY Regional Planning and Development Board in Syracuse, New York and indicated a quorum was present.

2. APPROVAL OF MEETING AGENDA/ANNUAL MEETING MINUTES

The first order of business was a review of the day's agenda and minutes from the April 13, 2011 meeting. A motion was introduced and seconded to accept the agenda and minutes as presented; the motion was approved unanimously.

3. PRESENTATION

David Bottar welcomed members and guests. Mr. Bottar referenced a handout prepared by Michael Rosanio titled **Small Business Assistance Programs in CNY** that listed the principal resources available to support small business growth in the region. Mr. Bottar then introduced, Bernard J. Paprocki, District Director of the Small Business Administration who a summary of the range of programs available from the organization.

Mr. Paprocki opened his remarks by noting that the Small Business Administration was formed by Congress in 1953 as an organization to help businesses earned government contracts. Mr. Paprocki went on to outline the three major areas of the organization as outlined in the first slide of the presentation: the three C's. These stand for Capital Access, Contracting with Federal Government and Counseling and Training.

Mr. Paprocki then gave an overview of the different areas of the organization. The SBA employ's eleven people in three offices to service 34 counties of small business owners in business counseling and training. These consist of nine SBDCs, eight Score Chapters, three Women's Business Centers, and a Veteran's Business Outreach Center with a large focus on helping veteran's who have recently returned from service. In addition to all these programs they also work with over 90 different lenders, banks and credit unions that can provide financing.

The next slide that Mr. Paprocki reviewed explained the loan programs that they have available to small business owners. One of the major programs is the administration of the 7 (a) Loan Guarantee program. He explained the guidelines of the loan details and requirements noting that it is their primary business loan program with broad eligibility requirements, wide range of financing and an increased loan amount from \$2 million to \$5million. He noted that this is the backbone of small business development in terms of subsidized financing in the country.

Mr. Paprocki went on to explain the next area of the SBA which is another loan option called the 504/Certified Development Company. This program is designed to finance long-term fixed assets such as equipment and buildings with a fixed rate. He explained that the financing for this loan is 50% bank financing, 40% CDC/SBA financing and 10% Business Owner.

Mr. Paprocki highlighted the loan statistics stating that in fiscal year 2010, they issued a total of 739 loans for \$132,123,200 and in 2011, so far, they have issued 556 loans for \$118,725,000 which shows that they are on track to exceed their numbers from 2010.

Another loan program Mr. Paprocki explained is the Microloan program which is typically used for machinery purchases, equipment, fixtures, and working capital and leasehold improvements. The microloans, he noted, are for smaller amounts up to \$50,000 with no loan fees and a shorter term of six years with a negotiable rate. These loans are used to bridge the gap of other loans.

The third area of their loan department Mr. Paprocki highlighted was in the area of Disaster Assistance. He explained that they work along with FEMA to provide loans for physical damages

due to natural disasters such as tornado's and flooding. They also assist in providing loans for Economic Injury Disaster Loans to offset the costs of lost business due to the interruption of business. Lastly he explained, is a Military Reservists Economic Injury for when a key member (s) of staff is called into military service.

Mr. Paprocki then referred back to the area of government contracting. He explained that it is a large part of the agency but not in the local area. He did encourage anyone interested in this area to contact them as the U.S. Government is the world's largest buyer of products and services. Mr. Paprocki continued his remarks explaining that within the area of government contracting, they have a 8(a) Business Development Certification Program that provides a broad scope of training and assistance to socially and economically disadvantaged firms that have a product or service that the federal government procures. He also noted another area the HUBZone (Historically Underutilized Business Zones) which assists by providing federal contracting opportunities for qualified small businesses located in distressed census tract areas.

The last area of the program Mr. Paprocki highlighted is the newly established Women-Owned Small Business Federal Contracting Program to recognize women owned businesses and give them assistance in being awarded federal contracting dollars noting that

To close his remarks Mr. Paprocki briefly highlighted the Business and Counseling and Training area noting that all these services are mostly free to small business owners and entrepreneurs, noting that his college Pat Higgins will go into those in more detail.

Mr. Paprocki then answered questions from the audience in regard to what size determines a small business. He responded that the size of a business depends on the industry but generally speaking a small business is one that has 500 or less employees. Another audience member asked a question on the typical rates of loans. Following that question, another was asked if the demand for these loans ever exceeds the availability. Mr. Paprocki explained that these loans are guaranteed loan funds. Another question was asked on loan performance and outcome. Mr. Paprocki responded that he did not have that available as they do not handle the loan processing but traditionally all loans are collateralized as a way to guarantee the loan. Another question was asked how rates were negotiated and Mr. Paprocki responded that this is a process that is handled exclusively by the lender.

Mr. Bottar thanked Mr. Paprocki for his presentation and explained what a great resource this is for people of our region and how fortunate we are for this program.

Ms. Patricia Higgins from the Small Business Development Center at Onondaga Community College was introduced and took the podium and introduced her colleague, Joan Powers. She noted that she would expand on some of Mr. Paprocki remarks and began her presentation by giving a background on the organization. Ms. Higgins noted that the SBDC is part of a nationwide network in 50 states and that their offices are typically on Community College campuses. Ms. Higgins listed the outreach centers available in the five county areas that they cover and explained that the funding sources are from federal, state and county.

Ms. Higgins explained that the mission of the SBDC is for the business advisors work with clients from the idea phase of the business all through getting the business up and running. She also

explained that some clients are existing clients returning for guidance in dealing with expansion, human resources and other ongoing business matters. Ms. Higgins highlighted that all of these services are free and confidential and there is no limit on the time that is provided to the new or existing business owner in the area of business plans, marketing, professional resources, funding resources and business expansions.

Ms. Higgins continued her presentation by noting two special training sessions that they offer for Small Business Start-Up which is a basic two-hour course to give a general overview of what is needed to start a business and a Fast Track course which is 20 hours long that goes more in depth. She noted that they also offer business specific training and courses as well as events like Operation Start Up and Grow for Veterans which is a conference specifically in support of veterans. She noted that one of the most accurate predictor in the success in the small business is prior military service due to the fact that they are organized, have leadership experience and the ability to deal with risk, all which are common characteristics of entrepreneurs. Another event Ms. Higgins explained is the Power of Green in support of 'green' businesses in the area.

Ms. Higgins continued with her remarks to highlight some of the achievements of the SBDC. She noted that the office has been in business for 25 years on the campus of Onondaga Community College and they have counseled over 18,000 clients and had over \$136 million in economic impact. Ms. Higgins went on to highlight that they have helped to developed 6, 350 jobs and saved over 2,500 jobs through their assistance.

Ms. Higgins closed her presentation by showing some pictures in her presentation of success stories noting the diversity of businesses that the SBDC has assisted from restaurants to funeral homes to dog grooming businesses. She also noted the resources partners with whom they work with in the area such as Syracuse University, CenterState CEO, and the Women's Business Center.

Ms. Higgins concluded her presentation and welcomed questions. The first question asked was in regard to the cost of the services to which Ms. Higgins clarified that the counseling services were free while some of the classes may incur a fee. Another question that was asked was in regards to how they sort through all of the entrepreneurs that come to the center to which Ms. Higgins deferred to her college Joan Powers. Ms. Powers explained that they are given "homework" and tools to make the decision themselves by doing their own research. One other question that was asked pertained to trends on businesses that are started in the area, but Ms. Higgins noted that the ideas are not evaluated but that the SBDC is there to offer support. With no further questions, Ms. Higgins left the attendees with some brochures and handouts.

Mr. Tennant thanked the speakers and asked if there was any further business to discuss and then handed the floor to Mr. Bottar for the Executive Director's report.

4. EXECUTIVE DIRECTOR'S REPORT

Executive Committee meeting was on May 18th and March financials were reviewed, touched on a number of program status reports and ongoing funding for programs, contract approvals. It was also announced that the agency secured a grant of \$712,000 for St. Joseph's Hospital to help finance a green room. Mr. Bottar noted that staff continued to be very active and involved in a number of programs, notably the Madison County plan. Mr. Bottar touched upon the I-81 Challenge

workshops in May and noted the press article that was in the Post Standard regarding the presentation from the April 13th Board Meeting presentation by James S. Hassett on the District Cooling Study.

To close his remarks, Mr. Bottar reviewed a few upcoming dates for the Executive Committee on July 20th in which they hope to review the 2010 audit. He announced that the next full Board Meeting would be August 17th in Cortland County at Greek Peek.

OLD/NEW BUSINESS

There was no information presented or discussed under old or new business.

ADJOURNMENT

There being no further business to discuss, a motion was introduced and seconded to adjourn the meeting; the motion was approved unanimously.

Respectfully Submitted,

David Elleman, Secretary