

**MINUTES  
OF THE LOAN COMMITTEE OF THE  
BUFFALO AND ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION  
(RDC)**

**DATE AND PLACE:** October 11, 2023, at the Erie County Industrial Development Agency, 95 Perry Street, 5<sup>th</sup> Floor Conference Room, Buffalo, New York 14203

**MEMBERS PRESENT:** Denise Abbott, Hon. Joseph H. Emminger, Rebecca Gandour, Nancy LaTulip, David McKinley and Michael A. Taylor

**MEMBERS ABSENT:** Royce L. Woods

**OTHERS PRESENT:** John Cappellino, President/Chief Executive Officer; Atiqa Abidi, Accounting Manager; Gerald Manhard, Chief Lending Officer; Daryl Spulecki, Assistant Loan Manager; Patricia Smith, Bookkeeper and Pietra G. Zaffram, Esq., General Counsel/Harris Beach PLLC

**GUESTS:** None.

There being a quorum present at 9:02 a.m., the Meeting of the Members of the Buffalo and Erie County Regional Development Corporation Loan Committee was called to order by Ms. Gandour who presided over the meeting in the absence of the Chair, Mr. Emminger.

**MINUTES**

Upon motion made by Ms. LaTulip, and seconded by Ms. Abbott, and unanimously carried, it was:

**RESOLVED**, that the minutes of the RDC Loan Committee meeting of August 9, 2023, are hereby approved.

Mr. Emminger asked for a motion to enter executive session to discuss the financial and credit information of the loan applicant, Great British Pantry, LLC. Ms. Abbott moved, and Mr. Taylor seconded to enter executive session. Mr. Emminger called for the vote, and the motion was unanimously approved.

At 9:04 a.m., the Committee entered executive session.

Upon motion made by Ms. LaTulip and seconded by Mr. Taylor, and unanimously approved, Executive Session was terminated at 9:48 a.m.

**APPROVAL OF THE FOLLOWING LOAN CASE(S)**

Great British Pantry LLC, 495 Aero Drive, Cheektowaga, New York 14225, \$300,000 96-month, 84 month amortization business acquisition term loan, secured and guaranteed. Ms. Abbott moved, and Ms. LaTulip seconded to approve the loan with the following additional conditions and concerns: (1) explore expansion of guarantors to include spouses; (2) confirmation of non-compete terms (at least 5 years); (3) production of 2022 tax returns; (4) seller's debt terms to include 1.2 DSC ratio based on company Year End Tax Return to allow principal payments on the seller note; and (5) seller note to include an interest-only period concurrent with RDC loan terms.

Mr. Emminger noted the \$2.25M sale price is likely inflated to reflect the risk associated with the seller being subordinate to RDC debt.

Mr. Cappellino noted the company was not a true start up due to the established customer base, and length of closure.

Mr. Emminger called for a vote and the motion was unanimously approved, with the additional conditions as noted.

**LOAN STATUS REPORT**

Mr. Manhard presented the loan status report and noted there was an addition to the report. A loan to Azariah's Innocence, a homemade beauty supply business, was originally approved in 2016 and the loan was reworked many times. Mr. Manhard does not think any more supplies will be produced. They are 120+ days past due on their loan, with a \$4,900 balance, and owners have been unresponsive. RDC does have a lien on the house.

**RDC LOAN PORTFOLIO UPDATE**

Mr. Manhard provided members with a status update of the Loan Portfolio.

Upon motion made by Ms. Abbott and seconded by Ms. LaTulip, and unanimously approved, the meeting was adjourned at 10:01 a.m.



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Elizabeth A. O'Keefe, Secretary