



Choose Columbia

Columbia Economic Development Corporation

MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
Tuesday, March 29, 2016
4303 Route 9
Hudson, NY 12534

A regularly scheduled meeting of the Columbia Economic Development Corporation (CEDC) Board of Trustees was held at their offices located at 4303 Route 9, Hudson, NY 12534 on March 29, 2016. The meeting was called to order at 8:30a.m. by Tony Jones, Chair.

| Attendee Name | Title | Status | Arrived |
|---------------------|---------------------------------|---------|---------|
| Russell Bartolotta | Board Member | Excused | |
| Rick Bianchi | Board Member | Present | |
| Jim Champion | Board Member | Present | |
| David Fingar | Vice-Chairman | Excused | |
| Greg Fingar | Board Member | Present | |
| Tish Finnegan | Board Member | Excused | |
| Triona Fritsch | Board Member | Present | |
| Tony Jones | Chairman | Present | |
| Kim Keil | Board Member | Present | |
| James Lapenn | Board Member | Present | |
| John Lee | Board Member | Present | |
| Jim Mackerer | Board Member | Present | |
| Ed Nabozny | Board Member | Present | |
| Michael Polemis | Board Member | Present | |
| Robert Sherwood | Treasurer | Present | |
| Colin Stair | Board Member | Present | |
| Sarah Sterling | Secretary | Present | |
| Scott Wood | Board Member | Present | |
| Andy Howard | CEDC Attorney | Present | |
| F. Michael Tucker | Interim President/CEO | Present | |
| Lisa Drahushuk | Administrative Supervisor | Present | |
| Martha Lane | Business Development Specialist | Present | |
| Erin McNary | Bookkeeper | Present | |
| Ed Stiffler | Economic Developer | Present | |
| Carol Wilber | Marketing Director | Present | |
| Matt Nelson | Public | Present | |
| Christine Vanderlan | Columbia Land Conservancy | Present | |
| Katie Kocijanski | Reporter, Register Star | Present | |

Minutes:

Mr. G. Fingar made a motion, seconded by Mr. Sherwood to approve the minutes from February 29, 2016. Carried.

Chairman's Report:

Mr. Jones stated he felt after meeting with the auditors and going through the auditing process had made the financial accounting clearer. He thanked Mary Kimball, the lead partner, and her staff on the audit, stating the changes suggested by the auditors will lead to a greater degree of transparency in the financial reports and statements. Turning to the Strategic Plan, he thanked all involved stating the plan provides a good road map for the next 12-18 months. He noted additional material and metrics would be added for projects going forward. The plan will be presented to the attendees at the annual meeting on April 19th. He stated there would be a brief business session at the annual meeting as well as a push for membership at the annual meeting, which has reached over \$30,000.

Mr. Jones stated the President/CEO search process was moving forward. He informed the Board the nearly 50 resumes had been received and were being reviewed by the Search Committee under the able leadership of Mr. Campion. He stated work continued on the annual meeting, Hudson Valley Creamery's expansion and goat genetic study as well as broadband.

Treasurer's Report:

Mr. Tucker reviewed the one page summary for the Board, noting one of the audit recommendations was to aggregate the accounts with new software and change the chart of accounts. He noted the summary would then be generated by Quickbooks.

Ms. Keil made a motion, seconded by Mr. Wood approving the Treasurer's Report as presented. Carried.

Interim President/CEO Report:**CRC Grant:**

Mr. Tucker stated a \$2,500 grant had previously been issued to the CRC, which allowed for payment of the insurance policies. He stated the request should have been for a total of \$10,000 which would have allowed for payment of the audit fees and insurance as well. He noted that CEDC will begin marketing CRC to the top 25 not-for-profits. He stated he was asking the CEDC Board to approve an additional \$7,500 grant to the CRC to allow them to continue to operate. Mr. Mackerer stated the only benefit the CRC can give is the mortgage recording tax exemption. He noted this meant the project would have to be for a large not-for-profit.

Mr. G. Fingar made the motion, seconded by Ms. Keil. Carried. Ms. Sterling abstained from the vote.

2015 CEDC Operations and Accomplishments:

Mr. Tucker reviewed the report, noting it was a required ABO document. *Ms. Sterling made a motion, seconded by Mr. Lapenn to approve the report as presented. Carried.*

2015 Assessment of Internal Controls:

Mr. Tucker stated this was also an ABO required report and reviewed the document. *Ms. Sterling made a motion, seconded by Mr. Lapenn to approve the report as presented. Carried.*

Mr. Tucker outlined the projects he was working on: Meeting with the City of Hudson regarding the Ferry Street Bridge; the Redburn hotel project, who will be making a presentation to the IDA board at their next meeting on 3/31; Hudson Valley Creamery on the transfer of the grant administration to



Choose Columbia

Columbia Economic Development Corporation

the company from CEDC; Commerce Park final available parcel was under contract and closing documents were under review; CREDC was gearing up for round 6 of grant awards; Strategic Plan; Sponsorship opportunity, an email was being sent out today to 75 businesses outlining the opportunity for sponsorship of the annual meeting; Vendor list audit.

He stated as part of the audit recommendations, a review of the existing parcels compliance with existing covenants and penalties would be completed. He stated the County was discussing the current sewer system servicing the Commerce Park and the associated consent order. He reminded the Board CEDC had commissioned a study to explore the expansion of the system. He stated there were a number of parcels currently not being utilized in the park. He suggested the current owners could be encouraged to move forward with their expansions or CEDC could partner with them to sell to other businesses. Mr. Stiffler stated there were currently 4 parcels which had been purchased but not being used.

Mr. Tucker stated immediately following the Chamber Legislative Breakfast, Congressman Gibson would be holding a broadband summit.

Strategic Plan:

Mr. Jones informed the Board the draft Strategic Plan had been distributed to the County Board of Supervisors Economic Development Committee and CEDC's strategic partners. Comments had been received from the Columbia Land Conservancy, which would be incorporated into the final document. Mr. Jones asked if there were any additional comments from the board. He stated if there were none, he would ask the board to approve the document which would be presented to the members at the annual meeting. Ms. Sterling suggested an alternative term be substituted for "agribusiness". Mr. Jones stated the agricultural business people he spoke to preferred "agribusiness". Mr. Wood suggested "agricultural businesses" be used in place of "agribusiness". The board agreed. Mr. Polemis suggested that the trail component include some verbiage about significant economic benefits with trail systems as well as more specificity regarding health benefits. Christine Vanderlan stated no health detail had been included, but the changes could be made. Mr. Tucker suggested once the changes had been incorporated into the document, it would be distributed to all partners. He noted it would require a short turnaround by all.

Mr. Jones stated the plan was a working document which should be updated. *Mr. Wood made a motion, seconded by Mr. G. Fingar to accept the strategic plan in its current form understanding it would be undergoing continuing revisions until the time of its presentation at the April 19th presentation. Carried.*

Committee Reports:

Search Committee:

Mr. Jones asked Search Committee Campion to give a quick update. Mr. Campion stated the committee had a great response to the call for candidates. He noted the committee was on schedule and would be meeting again.

Executive Committee:

Mr. Jones stated no meeting of the Executive Committee had taken place.

Audit and Finance:

Mr. Bianchi stated the committee had met with the auditors, Mary Kimble, Matt Vanderbeck and Michael Bucci to review the audited financials and the management letter. He noted they had no findings and it was an unqualified report.

He reviewed the audited financials with the board noting the company had a loss of \$240,000 for the year. He cited as part of the loss the unusual reimbursement of \$114,000 to the County for the Ginsberg parcel. He noted CEDC had 3 write-offs in 2015, Greenport Crossings, Aerocity and Local Ocean. He stated a review had been done of the loan losses with the result the reserve for loan loss would be increased by \$100,000 to cover any shortfalls.

Mr. Bianchi thanked the committee and staff for their work. He informed the Board the 990 had yet to be completed, but would be ready to be reviewed by the board prior to submission at the next regular board meeting. *Mr. Stair made a motion, seconded by Mr. Lee to approve the audited financial statements as presented. Carried.*

Mr. Tucker noted the auditors had recommended certain actions be taken which were outlined in the management letter. He noted he had drafted a response to the recommendations, and briefly reviewed it and the recommendations for the Board. He passed a copy of the completed PARIS report to the Board. *Mr. Lapenn made a motion, seconded by Ms. Keil to approve the 2015 audited financial statement and the management letter as presented. Carried.*

Loan Committee:

Mr. Bianchi stated the committee had recommended two loans to the board for their approval. Ms. Lane presented the Talbott, Arding Co. LLC loan request. She stated the loan request was for \$25,000 SBA loan to be used for working capital. The term is 72 months, the interest rate 7.35%. Collateral consists of a lien on all business assets as well as personal guarantees. She stated CEDC had partnered with Hudson Valley Agribusiness Development Corporation to provide technical assistance to the business. *Mr. Stair made a motion, seconded by Mr. Lapenn to approve the loan as presented. Carried.*

Ms. Lane stated the next loan request was from Basilica Industries LLC. Mr. Howard stated his firm represented the business and recused himself from the meeting. Ms. Lane stated the request was for a \$35,000 SBA microloan, with an interest rate of 7% and a term of 60 months. She stated the purpose of the loan was to purchase equipment, supplies and materials to expand the wedding business. Collateral is a lien on all business assets as well as personal guarantees. She stated because the business was located in a flood plain, the SBA required flood insurance, which the principals agreed to obtain. *Mr. Wood made a motion, seconded by Mr. Polemis to approve the loan request as presented. Carried.*



Choose Columbia

Columbia Economic Development Corporation

Governance and Nominating Committee:

Mr. Jones stated no Governance and Nominating Committee had taken place.

By-Law Amendments:

Mr. Jones stated the changes were housekeeping related. He asked Mr. Howard to review the proposed changes. Mr. Howard turned to page 5 and stated Mr. Campion's title required changing from Chairman to President and all terms commence on May 1st. He stated the same section clarified vacancies would be filled by the Board with the Governance and Nomination Committee making recommendations from the corporation's members. Mr. Wood questioned the 60 day limit on filling the Board vacancies, noting it provided little flexibility. Mr. Howard suggested the removing "but in no event later than 60 days". The Board agreed.

Mr. Howard removed the original Section 4 on page 7 noting it had been clarified on page 5. He stated Article 4 Section 1 Loan Committee, had been changed to allow residents of Columbia County, not only Board members, and the committee would now consist of "at least" 5 members. He noted the Governance and Nominating Committee language had been clarified as well. *Mr. Polemis made a motion, seconded by Ms. Keil to recommend the changes as proposed to the corporation's members at the annual meeting in April. Carried.*

Public Comment:

Matthew Nelson stated he was a member of the Regional Economic Development Council and the Community Preservation Corporation. He stated he felt the strategic plan was a large step forward and applauded all the work that went into the plan. He stated he would like to bring up a couple of points to the Board about the plan. He noted there was a lack of attention to housing, noting a way needed to be found to weave housing into the plan. He also suggested it was lacking a communication/public relations component. He suggested adding a plan for presenting the vision and recommended more outreach to towns and villages.

He stated the long-term success of Columbia County would be in part dependent upon the filling of the soon vacant County Planning Commissioner's position. He felt it was important for the County to fill the position. Mr. Jones asked Mr. Nelson to give the Board a brief overview of his work with the Community Preservation Corporation. Mr. Nelson stated he worked with development of all housing types with a focus on small balance lending. He noted prior to that he had spent 3 years with the NYS Office of Community Renewal.

Having no other business to discuss and no further public comments, a motion to adjourn was made by Ms. Sterling, seconded by Mr. Lee. Carried. The meeting was adjourned at 10:01 a.m.

Respectfully submitted by Lisa Draushuk