



MINUTES
COLUMBIA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
BOARD MEETING
Thursday, March 31, 2016
4303 Route 9
Hudson, New York

The regular meeting of Columbia County Industrial Development Agency held at their offices located at 4303 Route 9, Hudson, NY 12534 on March 31, 2016. The meeting was called to order at 8:55 AM by Jim Mackerer, Chairman.

Attendee Name	Title	Status	Arrived
Bob Galluscio	Treasurer	Present	
William Gerlach	Board Member	Present	
Brian Keeler	Board Member	Present	
Jim Mackerer	Chairman	Present	
Sid Richter	Vice-Chairman	Present	
Sarah Sterling	Secretary	Present	
Theodore Guterman II	Counsel	Present	
F. Michael Tucker	Interim President/CEO	Present	
Lisa Drahushuk	Administrative Supervisor	Present	
Erin McNary	Bookkeeper	Present	
Mary Kimball	Pattison, Koskey, Howe and Bucci	Present	
Matt Vanderbeck	Pattison, Koskey, Howe and Bucci	Present	
Damien Pinto	Redburn Development Companies	Present	
John Blackburn	Redburn Development Companies	Present	

Minutes: Ms. Sterling made a motion, seconded by Mr. Gerlach, to approve the minutes from February 2, 2016. Carried.

2016 Operations and Accomplishments:

Mr. Tucker reviewed the report, stating it outlined the highlights of 2015. He noted the report was procedural. Ms. Sterling made a motion, seconded by Mr. Galluscio to approve and authorize the report. Carried.

2015 Assessment of Internal Controls:

Ms. Sterling made a motion, seconded by Mr. Richter to approve the document as presented. Carried.

Interim President/CEO Report:

Mr. Tucker stated the IDA would be marketed to increase revenue. He stated he planned on working with the owners of the Commerce Park land to better utilize the properties. He reported CEDC had submitted a CFA on behalf of Hudson Valley Creamery, which had been awarded \$500,000 in grant funds and \$500,000 in Excelsior tax credits. Columbia County would be applying for \$350,000 in CDBG funding for a wastewater treatment facility for Hudson Valley Creamery's local dairy production conversion project. He noted CEDC would be involved in the county's broadband project.

City of Hudson IDA:

Mr. Tucker stated he had advised the City of Hudson to carefully consider dissolving the organization, noting the formation had been done by statute. He had discussed with them what the County IDA could do for the City IDA. He stated the City IDA could contract with the County IDA to administer their projects.

Mr. Guterman stated he wasn't in favor of a merger of the organizations. He stated the ABO reported that it recommended the City IDA take actions to correct errors and report correctly. He cautioned against allowing the County responsible for the City's past errors. He stated he was supportive of assisting in other ways. Mr. Richter stated he wouldn't shrink from responsibility but he wasn't in favor of assuming the responsibilities. He stated he agreed with Mr. Guterman. Mr. Keeler stated he also agreed with Mr. Guterman, suggesting a full audit be completed on the City IDA prior to any decisions. Ms. Sterling stated she would approach the City IDA and encourage them to bring the organization into compliance, per the ABO requirements.

Board Orientation Manual:

Mr. Tucker stated that CEDC staff had performed a self-audit of the IDA website, he stated that it complies with the ABO's recent recommendations. In addition, he indicated that CEDC staff had drafted a IDA Board Orientation Manual, also based on ABO best-practices and suggested that board members to scroll down on the IDA's webpage to review the new manual. He stated an archive for older documents was being developed.

Committee Reports:**Audit Committee:**

Mr. Richter made a motion, seconded by Mr. Keeler to approve the 2015 audited financials and the 2015 management letter. Carried.

Finance Committee:

Mr. Gerlach made a motion, seconded by Ms. Sterling to approve the Treasurer's Report. Carried.

Governance Committee:

Ms. Sterling made a motion, seconded by Mr. Keeler to approve the amended procurement policy. Carried.

Commerce Park Lot 27:

Mr. Guterman explained that after a lot is sold in the Commerce Park the County transfers the title to the IDA who then completes the sale to the buyer. He stated Hudson River Holding LLC had purchased the lot for \$30,000, \$2,250 as a deposit and a mortgage of \$27,750. He noted the IDA would hold the mortgage for 5 years at 4.5% interest. He noted the mortgage would be paid in 5

annual payments. Mr. Guterman explained that the property had a penalty note requiring development within 5 years and if the parcel is sold within 5 years a penalty is due. He noted the IDA keeps the interest and a \$1,000 administrative fee, with the County getting the cost of the land.

Mr. Richter asked if the transfer could be held up until construction begins. Mr. Guterman stated in order to obtain financing, the property needed to be in the name of the business. *Mr. Gerlach made a motion, seconded by Mr. Richter to approve the transfer of the property from the County to the IDA and the sale of the property from the IDA to Hudson River Holding LLC. Carried.*

Mr. Tucker referenced the sewer issues at the Commerce Park. He noted that Ed Stiffler would be monitoring the issue for CEDC and the IDA. He stated the vacant parcels needed to be marketed to companies using the sewer as a selling tool. He noted that 4 parcels were held by companies that have not yet developed them. He suggested those companies be encouraged to either develop them or sell them to other companies, who would fully utilize the sewer system and enable the park to be built out. He stated that the park is only one half built out due to the amount of vacant property it contains.

Review of New IDA Requirements:

Mr. Guterman stated New York law required a standard application for use on all projects, which the IDA currently has in place. He stated they were requiring the use of uniform criteria by which to evaluate projects. He noted that currently, the IDA didn't have that in place. He stated he work on developing that by the June 15th deadline.

Mr. Guterman stated the third item was to implement uniform project agreements. He noted dependent upon the benefits granted the applicants, the agreements currently varied. He stated he would develop the agreements as required. Mr. Tucker suggested Hodgson Russ as a resource. Mr. Guterman stated he would coordinate with Hodgson Russ on the requirements.

Redburn Development Presentation:

Mr. Tucker introduced the principals of Redburn Development Companies. He reminded the Board they had been awarded a \$1.5 million grant by NYS to develop a hotel near the waterfront on Cross Street in Hudson. He stated he asked them to give a quick overview of the project, noting they would be applying for IDA benefits. John Blackburn introduced himself and his associate, Damien Pinto. He gave an overview of their background and the other development projects they had done in Watervliet and Troy. Mr. Blackburn stated they had spoken to venue owners who had expressed a need for a hotel located in Hudson targeting larger groups and a different price point than currently available.

He noted Redburn had contracted with Prestige Management for the management of the project which would offer some meeting and event space holding 50 – 99 people. The hotel would offer limited food serve (breakfast) and a rooftop patio. The projected nightly rate was \$149. They anticipated hiring between 12 – 14 full time equivalent employees. They anticipated an occupancy rate of 55%, anticipating 11,000 room nights per year. A study had been completed estimating an economic benefit to the community of \$1.7 million/year based on each room night generating an additional \$150 spent elsewhere in the county and city. They indicated their goal was to maximize their guest's time spent in the immediate area. They stressed their focus was on housing groups, not individual visitors targeted by other lodging establishments. The study they had commission had based the numbers on groups of people not on individuals.

Mr. Guterman asked how the IDA could help the project. Mr. Blackburn stated a PILOT, mortgage tax recording fee and sales tax exemption. He hoped to have a soft opening late winter 2017. Mr. Gerlach asked how long it would take to stabilize the business. Mr. Blackburn expected it would take 24 months. Mr. Blackburn reminded the board that no grant money would be received until goals had been met, including the private funding. The Board thanked Mr. Blackburn and Mr. Pinto for attending.

Project Updates:

Mr. Mackerer asked about the status of the Ginsberg project. Mr. Tucker stated the company was evaluating how best to proceed.. He noted they would have to go back to the planning board if any changes were made.

Mr. Tucker stated that Widewaters had contacted him about a new store. He suggested they contact the Greenport Town Supervisor to ensure the town was in agreement with the project. He stated nothing would come before the Board prior to Widewaters contacting the town supervisor.

Mr. Tucker stated he had received a call from Scott Shallo on behalf of Valatie Land Development. He had asked the IDA to consider releasing the escrow on the PILOT due to the death of the guarantor and the remaining family's wish to settle with a sibling uninvolved in the business. Mr. Tucker had refused the request and the board members concurred with his decision.

Mr. Tucker briefly explained the original program NYS had formulated to address broadband in underserved areas. He noted under the criteria very few areas in Columbia County met the criteria. He stated the County's broadband consultant had recommended a second plan using the FCC's eRate Program. The program involves school districts, libraries and public safety facilities as possible applicants and then, using schools and libraries as hub. This year's funding cycle had an initial deadline of March 29th and noted it was impossible to complete all the initial approvals needed to file an application prior to the deadline. .

He stated Board of Supervisors Chairman Matt Murell had asked CEDC to take the lead on broadband. He said CEDC would coordinate meetings with BOCES, the school districts, libraries and other stakeholders. Mr. Tucker stated Congressman Gibson had called for a summit to discuss the issue immediately following the Chamber of Commerce's Legislative Breakfast on April 8th. He added Ghent Town Board member, Patti Matheney had also called a meeting to address the issue last night.

Mr. Tucker stated the search for the CEDC President was moving forward with a hiring date goal of May 15th. He noted the Strategic Plan had been distributed in draft form and would be addressed at the CEDC Annual Meeting on April 19th.

With no further business to discuss or public comment, a motion was made by Mr. Richter and seconded by Mr. Keeler. Carried. The meeting adjourned at 10:20am

Respectfully submitted by Lisa Draushuk