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Columbia Economic Development Corporation

MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
Tuesday, August 30, 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 August 30, 2016. The meeting was called to order at 8:30a.m. by Tony Jones, Chair. While waiting for Mr. Stair's arrival to obtain a quorum, the Board had discussions concerning ongoing economic development projects, a report from the Chairman of the Board of Directors, and President/CEO Tucker.

Attendee Name	Title	Status	Arrived
Russell Bartolotta	Board Member	Excused	
Rick Bianchi	Treasurer	Present	
Jim Calvin	Board Member	Present	
Jim Campion	Board Member -- Ex Officio	Present	
David Fingar	Vice-Chairman	Present	
Tish Finnegan	Board Member	Present	
Triona Fritsch	Board Member	Excused	
Kate Johns	Board Member	Present	
Tony Jones	Chairman	Present	
James Lapenn	Board Member	Excused	
John Lee	Board Member	Excused	
Jim Mackerer	Board Member -- Ex Officio	Present	
Ed Nabozny	Board Member -- Ex Officio	Present	
Michael Polemis	Board Member	Present	
Robert Sherwood	Board Member	Excused	
Colin Stair	Board Member	Present	8:55am
Sarah Sterling	Secretary	Present	
Andy Howard	CEDC Attorney	Present	
F. Michael Tucker	President/CEO	Present	
Lisa Drahusuk	Administrative Supervisor	Present	
Martha Lane	Business Development Specialist	Present	
Erin McNary	Bookkeeper	Present	
Ed Stiffler	Economic Developer	Present	
Carol Wilber	Marketing Director	Present	

Chairman's Report:

Mr. Jones and the board welcomed Jim Calvin as the newest CEDC Board member. Mr. Jones noted that Catamount, Project Bourbon and the Ginsberg projects have been in a holding pattern for the past month. The Commerce Park sewer, Goat Genetics Study and Architectural Cast Stone project have been advancing slowly. He stated the focus has turned to a review of CEDC internal operations, with work continuing on the consolidated financials anticipated by the end of September. He noted the employee manual continued to be reviewed and would be presented to the Governance and Nominating committee for their review in September. The risk assessment would be presented for review to the Audit and Finance committee in September.

Mr. Jones stated Mr. Tucker has developed the first draft of the 2017 budget which would be circulated amongst the board for their review and input. Mr. Jones reminded the board the budget needed to be approved and entered into PARIS by the end of October. He stated the budget addressed: Replacing the former part time Economic Development Specialist with a full time Project Manager; \$25,000 for new initiatives; an increased push for memberships/ sponsorships; a goal of a self-sustainable CEDC loan fund, with a focus on a wider diversification of borrowers, including size and sector.

Mr. Jones stated the Governor's visit in August announcing funding for broadband helped bring Columbia County to the spotlight. He noted there was a great deal of work to do in determining what is available and where. He reminded the board that Mr. Tucker serves on the County broadband committee. He stated the Board of Supervisors Broadband Sub-committee was still discussing what role CEDC should play, including possibly providing staffing.

Treasurer's Report:

Mr. Tucker reviewed the Treasurer's report for the board. He noted the actual net income was approximately (\$13,000), which is lower than projected. He noted \$10,000 had been allocated but not used for Startup NY in 2016. He stated that budget line would be removed for 2017. Mr. Tucker reviewed the summary income/expense and balance sheets for the board. *Mr. Fingar made a motion, seconded by Ms. Sterling to approve the Treasurer's Report. Carried.*

2017 Draft Budget:

Mr. Tucker handed out copies of the draft budget to the board. He reviewed the consolidated budget for the board stating he had a meeting with the County Comptroller later in the week to discuss CEDC proposed budget as part of the County's budget process. He stated the budget would be presented to the Audit and Finance Committee for their recommendation, then to the full board at the September meeting.

President's Report:

Mr. Tucker informed the board that the SBA had completed their onsite annual site visit and file audit. He stated the meeting had gone well, and he complimented Martha Lane, Erin McNary and the other staff. He stated they had also presented the check for the additional \$300,000 of SBA funding.



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Mr. Tucker handed out 2 additional spreadsheets, the first outlining available funds to lend, current outstanding loan portfolio and reserve balance. The second sheet outlined the funds prior to the \$300,000. He stated he and Ms. Lane had met to discuss marketing the loan funds and how to find prospective borrowers. Mr. Jones stressed marketing the loans would not be done blindly, but would be targeted.

Mr. Tucker stated he was investigating the possibility of CEDC moving to the KeyBank building. He noted the building had to be available to other banks for 60 days. He stated he was investigating other sites as well.

Mr. Tucker reviewed the reserve accounts noting the CEDC account was at 26% , while the SBA was at 44%. He reminded the board that if a SBA loan defaults, CEDC would have to pay the money back to the SBA and then recalculate the 15 % and fund any shortage both from CEDC funds.

Minutes:

Mr. Calvin made the motion, seconded by Mr. Fingar to approve the minutes from July 26, 2016. Carried.

Committee Reports:

Audit and Finance Committee Report:

Mr. Jones stated there had been no Audit and Finance Committee meeting. He stated one would be held in September to review the risk assessment and the draft budget.

Executive Committee:

Mr. Jones stated there had been no Executive Committee meeting.

Governance and Nominating Committee Report:

Mr. Jones stated no Governance and Nominating Committee had been held, but a meeting would be scheduled for September to discuss the employee manual.

Loan Committee:

Mr. Bianchi asked Mr. Howard to address the Vanderbilt House. Mr. Howard stated he had been contacted by The Bank of Greene County, who held the first position on the property. They were requesting that CEDC accept a nominal fee in return for waiving the rights to the property. He stated this would allow The Bank of Greene County to obtain clear title and to market the property quickly. He stated the Loan Committee had requested that he contact The Bank of Greene County to determine if a settlement could be reached. He stated he would be meeting with the bank representatives after Labor Day.

Mr. Bianchi reminded the board that the Vanderbilt had two loans with CEDC both originally for \$25,000. He stated the current amount due was approximately \$46,000. Mr. Tucker stated the SBA required loans be written off when past 120 days. Mr. Howard stated the topic could be discussed at the CEDC full Board meeting in September when he had more information.

Ms. Lane presented the EZ Foods of the Northeast, LLC loan request. She stated he was a repeat loan client who had earlier in the year paid off his \$5,000 loan and had a balance of approximately \$2,000 on his 2nd loan. He was requesting \$9,000. Ms. Lane stated the proceeds of the loan would be used to pay off the old loan, purchase additional inventory, develop marketing materials and provide working capital. She stated he had attended the MicroBusiness Class and begun working with an accountant. *Mr. Polemis made a motion, seconded by Mr. Bianchi to approve the loan to EZ Foods of the Northeast, LLC. as outlined. Carried.*

Mr. Howard stated the Loan Committee had discussed in relationship to the loan policies and procedures, retaining the ability to approve loans at the committee level. He recommended that loans of a certain amount to be determined, be approved by the Loan Committee and reported to the full board.

Mr. Mackerer stated he had met with Mr. Tucker and Ms. Lane and had discussed the loan policies and procedures. He stated they were reviewing the Community Loan Fund loan procedures to be used as a guide. He suggested the Loan Committee be able to approve loans between \$15,000 and \$25,000. Mr. Polemis agreed but requested that the write-ups continue to be forwarded to the board members before the committee meetings.

Business Retention Visits and Membership:

Ms. Wilber informed the Board that the current number of members totaled 54 with a total investment of \$41,900. She reported she had conducted 20 business visits, including Williams Lumber, Art Omi, Love's and S&F Telecommunications. Ms. Wilber stated she has scheduled future visits to Petersen, Geller, Spurge, Harney Teas, ADM and Craftech. She is initiating conversations with Berkshire Farms, General Roll Leaf, American Biomedica, Lebanon Valley Speedway as well as Trustco Bank and Banknorth.

Ms. Wilber informed the board all business visits included a membership pitch and an interview questionnaire. She stated each of the businesses visited had cited a lack of skilled and available workforce in the County. She informed the board that of the 20 visits conducted so far, she believed 11 would result in member prospects. In response to a board question, Ms. Wilber indicated information from each visit is maintained in a data base for follow up and future reference.

Confidential Board Evaluation:

Mr. Howard stated this was an Authority Budget Office requirement to be done annually. He stated the results remained confidential. He asked Mrs. Drahushuk to explain the process. She explained that each Board member's response was entered onto a summary sheet (no identities were included), which once all responses had been received, was distributed to the Governance and Nominating Committee for review and/or recommendation of possible action by the full



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Columbia Economic Development Corporation

board. The full board would review the summary and either accept it or decide upon an appropriate action. Once the Board had completed its review, the summary was submitted to the ABO.

Other Business:

Mr. Tucker congratulated Mr. Jones on his appointment by the Columbia County Board of Supervisors to the Workforce Investment Board. Mr. Jones and Mr. Tucker congratulated Mr. Campion of the naming of Columbia Greene Community College as the #3 Community College in New York State. Mr. Tucker stated he had been meeting regularly with Jeffrey Hunt, the new President & CEO of the Columbia County Chamber of Commerce.

Public Comment:

Having no other business to discuss and no public comments, a motion to adjourn was made by Ms. Sterling, seconded by Mr. Stair. Carried. The meeting was adjourned at 9:50 a.m.

Respectfully submitted by Lisa Draushuk