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Columbia Economic Development Corporation

MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
Tuesday, February 28, 2017
4303 Route 9
Hudson, NY 12534

A regularly scheduled meeting of the Columbia Economic Development Corporation (CEDC) Board of Directors was held at their offices located at 4303 Route 9, Hudson, NY 12534 on February 28, 2017. 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	Treasurer	Excused	
Jim Calvin	Board Member	Present	
Jim Champion	Board Member – Ex Officio	Present	
David Fingar	Vice-Chairman	Present	
Tish Finnegan	Board Member	Present	
Triona Fritsch	Board Member	Present	Arrived 8:32am
Kate Johns	Board Member	Present	
Tony Jones	Chairman	Present	
James Lapenn	Board Member	Present	
John Lee	Board Member	Present	
Jim Mackerer	Board Member – Ex Officio	Present	
Ed Nabozny	Board Member – Ex Officio	Present	
Michael Polemis	Board Member	Excused	
Robert Sherwood	Board Member	Excused	
Colin Stair	Board Member	Present	Arrived 8:34am
Sarah Sterling	Secretary	Present	
Maria Suttmeier	Board Member	Excused	
Andy Howard	CEDC Attorney	Present	
F. Michael Tucker	President/CEO	Present	
Lisa Draushuk	Administrative Supervisor	Present	
Martha Lane	Business Development Specialist	Present	
Erin McNary	Bookkeeper	Excused	
Ed Stiffler	Economic Developer	Present	
Carol Wilber	Marketing Director	Excused	

Chairman's Report:

Mr. Jones stated the past two broadband meetings had been cancelled due to an anticipated announcement by the Governor's office. He stated Mr. Tucker had presented the CEDC Annual Report to the Columbia County Economic Development Committee. It was suggested by Supervisors Art Bassin and John Reilly that CEDC play a coordination role on workforce housing as it has broadband. Mr. Jones stated the City of Hudson held an informational affordable housing meeting attracting 40 – 50 attendees. Alderwoman Tiffany Garriga, Supervisor William Hughes and Matthew Nelson of the Community Preservation Corporation had served as a panel at the event. Mr. Jones stated there appeared to be a great number of resources available, but few developable areas.

Mr. Jones announced that Triona Fritsch had been elected Chair of the Workforce Education Committee, which had held their initial meeting on February 14. He stated Mr. Tucker was busy screening and interviewing Project Manager candidates.

Mr. Jones stated the membership drive was doing well. He stated nearly all the sustaining members had renewed for 2017. Mr. Jones emphasized the need for recruiting members. He stated increasing memberships added credibility to the organization as well as reinforcing CEDC as the voice of the business community in the county.

Mr. Jones noted the long term financial statement project Mr. Tucker and Ms. McNary had been working on, could be seen in the attached financial statements. He stated the statements looked cleaner and are more accessible.

Minutes:

Mr. Calvin made the motion, seconded by Ms. Sterling to approve the minutes from the January 31, 2017 meeting. Carried.

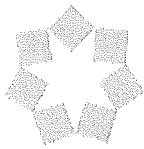
Treasurer's Report:

Mr. Tucker referenced the balance sheet which showed \$3.2 million in assets. He referred to the profit and loss statement as it related to the actual operating. He stated the statement segregates the operating account to enable the revenue and expense to be viewed. He noted five entities were combined into four, combining the CDBG into the loans. He noted the fundraising was above budget due to the January renewals.

Mr. Tucker turned to the profit and loss by class financial sheet, noting sheet he had previously done this by hand in Excel. He stated the SBA, loan fund and CDBG were doing well. The balance sheet previous year comparison shows a difference of \$44,000 in the total asset line and less loan receivables than in the previous year. He stated he was working with Ms. Lane to increase lending. He noted total liabilities were down from last year and equities were up.

Mr. Tucker noted the numbers on the final financial page would show no amounts in the 2016 column due to the county money not being allocated over the course of the year. He noted expenses were 2% higher in the current year, while the county funding and membership was above the level of the past year. He stated that the financials show that there would be sufficient resources to fund a workforce initiative. *Mr. Fingar made a motion, seconded by Mr. Lapenn to approve the Treasurer's Report as given. Carried*

Mr. Tucker stated the meeting packet contained a copy of the current banking relationships, updated to 2/24/17. He informed the board a new account had been opened in The Bank of Greene County,



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which was intended to be used as a reserve account. He noted that CEDC had approximately \$800,000 in operating cash. He noted the loan fund money could be used for an initiative or a program. He reviewed the write off procedure with the board for SBA loans, noting the reserve account needed to be reimbursed and recalculated when a loan was written off.

President and CEO Report:

Mr. Tucker stated broadband and the Commerce Park sewer project was moving forward. He stated one of the 2017 goals was a shovel ready site for development. He was also working on republishing an online guidebook for planning and zoning guidance. He stated this would provide towns with tools to take the pressure off the planning and zoning boards. He noted the developers held equal responsibility for educating themselves about the process and requirements.

Mr. Tucker stated he and Mr. Jones had met with Don Gibson and other employees of The Bank of Greene County and discussed the CEDC and SBA loan program. He had also met with the Executive Director of the Columbia Greene Board of Realtors. He felt confident the meetings would generate leads. Mr. Jones stated the visits would also make people aware of the services CEDC provides. Mr. Tucker stated a review of the county's deeds and mortgage records would be done on a regular basis, to obtain early leads on new businesses.

Mr. Tucker stated he had met with Charles Vieni a former DOT engineer who wished to discuss CEDC's potential involvement with the County's infrastructure, primarily maintenance and planning. Mr. Tucker informed the board the Empire State Development's Regional Director would be visiting Petersen Geller Spurge to discuss their potential expansion and financing.

Mr. Tucker reviewed CEDC's partner organizations, which included: CEG (Center for Economic Growth), Columbia Greene Board of Realtors, The Commercial and Industrial Real Estate Brokers, Inc. (CIREB), Greene County Chamber of Commerce, International Economic Development Council (IEDC), New York State Economic Development Council (NYSEDC). Farm Bureau. He stated he was open to other memberships. Ms. Johns asked if a chart could be made of all organizations with a description of each. Mr. Tucker stated that was possible. He stated CEDC maintained strong relations with HVADC (Hudson Valley AgriBusiness Development Corporation), he was currently working out a sponsorship opportunity.

Columbia County IDA Contract:

Mr. Tucker stated the contract had been approved by the IDA at their last meeting. He noted the contract remained unchanged from the previous year. He stated the County IDA had been offered the same deal as the City of Hudson IDA, with a lower monthly charge and a higher per project fee, but they decided to continue one more year with the current structure and reevaluate next year. Mr. Tucker stated the contract had been reviewed by CEDC counsel. *Mr. Fingar made a motion,*

seconded by Ms. Sterling to approve the contract with the Columbia County IDA as presented. Carried.

City of Hudson IDA Contract:

Mr. Tucker stated the City IDA had signed the contract the day prior.

Compliance Documents:

Mr. Tucker stated these were annual reports required by the Authority Budget Office, prepared by Mrs. Drahushuk. Mr. Calvin made a motion, seconded by Mr. Lapenn to approve the *2017 Mission Statement, 2017 Measurements Report, 2016 Operations and Accomplishments and 2016 Assessment of Internal Controls as presented. Carried.*

Committee Reports:

Audit & Finance Committee:

Mr. Jones noted the Committee had not met since the last board meeting.

Executive Committee:

Mr. Jones noted the Committee had not met since the last board meeting.

Governance and Nominating Committee:

Mr. Jones stated the Governance and Nominating Committee had reviewed the bylaws and suggested several changes that are mostly housekeeping items. He noted that the proposed changes to the bylaws require a two thirds majority of the Board of Directors to be approved prior to the annual meeting, where the Members would be asked to approve the changes. He noted that the changes would not be voted on at the current meeting due the shortage of one person to obtain the two thirds majority. He noted the changes would be presented at the March meeting, and encouraged the board to attend.

Mr. Champion asked Mr. Howard to review the proposed changes to the bylaws. Mr. Howard noted the bylaws had been presented with the proposed changes in the margin. He stated the Governance and Nominating Committee was comfortable with the changes. He noted the changes were suggested to clarify the actual workings of the corporation as well as reflecting NYS law and Authority Budget Office regulations. Mr. Howard reviewed the proposed changes with the Board.

Mr. Champion stated part of the duties of the Governance and Nominating Committee was to address the Board Members terms. He stated 4 Board Members terms would be expiring on May 1, 2017: Mr. Jones, Mr. Bianchi, Mr. Sherwood and Mr. Stair. He noted that all had been contacted, 3 had agreed to serve another term. He was hopeful the 4th would also agree to serve again.

Loan Committee:

Ms. Lane stated she had a \$30,000 loan request from Philmont Beautification Inc. She stated the loan was to purchase commercial kitchen equipment for their building which was being converted into a community kitchen. She informed the board the organization had been awarded a \$30,000 reimbursement grant from the USDA. Ms. Lane stated the interest rate would be 3% with interest to be forgiven upon repayment of principal. Ms. Lane stated the loan terms provided for 6 months of deferred payments and reimbursement directly to CEDC from the USDA. Collateral would be a letter from the USDA stating reimbursement would be paid directly to CEDC. She stated the Loan Committee had recommended the loan to the full board for approval. Ms. Lane noted the USDA conditioned release of funds upon receipt of health department approval and the certificate of



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occupancy. She noted the Loan Committee requested the loan be contingent upon receipt of the USDA letter stating payment would be made directly to CEDC from the USDA and upon receipt, the 3% interest would be forgiven.

Mr. Calvin asked if there was a precedent for a zero interest loan. Mr. Tucker stated one had been approved in the past to the Hudson Area Association Library. Mr. Lapenn asked if there would be job creation or job retention. Ms. Lane stated any jobs created or retained would not belong to Philmont Beautification Inc., but those using the commercial kitchen. Mr. Stair stated it should be viewed as a bridge loan. *Mr. Stair made a motion, seconded by Mr. Lapenn to approve the loan as presented with the conditions as outlined by the Loan Committee. Carried.*

Mr. Mackerer asked that Ms. Lane report on the denied loan. Ms. Lane stated a request had been received from House Rules Café in the amount of \$10,000, reduced from an original request of \$30,000. The Loan Committee had denied the request based on insufficient capital, and low traffic location. They felt the submitted projections were high. The Committee had also encouraged the applicant to obtain other financing and return with tighter projections.

Portfolio Review:

Ms. Lane informed the Board 2 loans had been modified; The Laundress at Sip n Suds and Les Collines. She noted the Sip n Suds had been re-written as a CEDC loan and Les Collines had been granted a deferment of 6 months. She stated she would be contacting Nancyscans later in the week, and would be visiting Paul Calcagno to request payment. Ms. Lane stated Monkshood Nursery had ceased operations and listed his property for sale. She anticipated no further payments until the property was sold. She noted Primitive Twig was consistently behind. Mr. Jones stated the Loan Committee had heard about the good pipeline of loans for the upcoming months.

Workforce Development and Education Committee:

Mr. Jones asked Ms. Fritsch for the Workforce Development and Education Committee update. She stated it had been a successful initial meeting, with discussions on many related topics. She stated the committee had discussed apprenticeships and targeting appropriate age groups. Job opportunities had been discussed as well as current programs, program conceptualization and development.

Other Business

Mr. Tucker stated as part of the practice of sharing relevant information with the Board, he handed out a PowerPoint presentation regarding promoting workforce opportunities. The handout noted a switch from many middle skilled jobs to more lower and higher skilled jobs and 1099 jobs. The handout addressed the definition of quality jobs, underutilized populations, barriers to employment and traits of employment solutions that work. Mr. Tucker stressed the need for partnerships and understanding the issues. He stated Columbia County graduates 500 seniors per year, all with different needs and requiring different levels and types of assistance.

Public Comment/ Adjournment:

Mr. Jones noted no public was present. He underscored the need for more effort making CEDC activities more visible and more understandable to the public.

Having no other business to discuss and no public comments, a motion to adjourn was made by Ms. Sterling seconded by Mr. Lapenn. Carried. The meeting was adjourned at 9:43 a.m.

Respectfully submitted by Lisa Draushuk