



# Choose Columbia

Columbia Economic Development Corporation

**MINUTES**  
**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION**  
**Tuesday, November 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 November 28, 2017. The meeting was called to order at 8:30 a.m. by Tony Jones, Chair.

Attendee Name	Title	Status	Arrived
Ruth Adams	Board Member	Present	Departed 9:49am
Russell Bartolotta	Board Member	Excused	
Rick Bianchi	Treasurer	Present	Departed at 9:48am
Jim Calvin	Board Member	Excused	
Jim Champion	Board Member – Ex Officio	Present	Departed at 9:40am
David Fingar	Vice-Chairman	Present	Departed 9:55am
Tish Finnegan	Board Member	Present	
Triona Fritsch	Board Member	Present	
Tony Jones	Chairman	Present	
James Lapenn	Board Member	Present	
John Lee	Board Member	Present	
Jim Mackerer	Board Member – Ex Officio	Excused	
Ed Nabozny	Board Member – Ex Officio	Excused	
Michael Polemis	Board Member	Excused	
Robert Sherwood	Board Member	Present	Departed at 9:49am
Gary Spielmann	Board Member	Present	
Colin Stair	Board Member	Excused	
Sarah Sterling	Secretary	Excused	
Maria Suttmeier	Board Member	Present	Departed at 9:50am
Andy Howard	CEDC Attorney	Present	
F. Michael Tucker	President/CEO	Present	
Brandon Dory	Project Manager	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	
Ian Nitschke	Public	Present	

## **Governance & Nominating Committee:**

### **Board Member Candidates:**

Mr. Jones introduced Ruth Adams and Gary Spielmann to the Board. He stated the Governance and Nominating Committee had interviewed them at their last meeting. Mr. Jones then turned the meeting over to Mr. Campion, Chair of the Governance and Nominating Committee.

Mr. Campion stated the Committee had met on November 8<sup>th</sup> and had interviewed both candidates. He noted they came from different backgrounds and the committee had agreed they would add depth to the Board. Both candidates were recommended unanimously to the Board for approval. *Mr. Fingar made a motion. Mr. Lapenn seconded the motion to approve the appointment of Ms. Adams and Mr. Spielmann to the CEDC Board. Carried.*

### **Chairman's Report:**

Mr. Jones informed the Board CEDC's contract with the county had been approved by the Economic Development Committee, and passed to the full Board of Supervisors for approval at their December meeting. He noted housing continued to be a topic of discussion at the County. He stated broadband continued in a holding pattern due to a change in New York State's broadband officer. The announcement of the 3<sup>rd</sup> round of funding had been postponed until after the New Year.

Mr. Jones informed the board, Hudson Valley Creamery had become active again after the merger between Eurial and Agrial. He informed the board that Mr. Tucker had coordinated meetings for the company representatives with State and local officials. CEDC had applied for a Farm to School grant resulting in a collaboration of a large partnership of people interested in making local food available to schools.

Mr. Jones noted work continued on the new CEDC website anticipated to go live around December 1<sup>st</sup>. Mr. Jones encouraged the Board to attend CEDC's Arts, Culture and Tourism Forum, held on December 8<sup>th</sup> at Hudson Hall at the Opera House. He noted the creative economy would hold center stage. Mr. Jones reminded the Board they had received the 2018 CEDC meeting calendar.

### **Minutes:**

*Mr. Lapenn made a motion, seconded by Mr. Fingar to approve the minutes from October 31, 2017 as presented. Carried.*

### **Treasurer's Report:**

Mr. Tucker stated the balance sheet showed assets up \$56,000, with liabilities up for 2017 approximately \$60,000 compared to the previous year due to the new money drawn down from the SBA. He noted the profit and loss statement shows total income over previous year by \$30,000, while expenses are over previous years by \$61,000. He noted consulting fees were broken out in 2017 and fringe benefits were being accrued. Referring to the profit and loss budget vs actual, income was \$14,000 below and expenses were \$17,000 below budget. He noted the variances were due in part to the DRI. He reminded the Board that CEDC had contributed \$15,000 toward the application and was contributing toward the website as well as publicizing the meetings via flyers. *Ms. Finnegan made a motion, seconded by Ms. Suttmeier to approve the Treasurer's Report as presented. Carried.*

### **President/CEO Report:**

Mr. Tucker stated Hudson Valley Creamery was beginning to move forward with their project, noting he had coordinated meetings at their request with local and state officials. Mr. Tucker handed out and reviewed a roadmap of an overview of projects, duties and partners CEDC was working on and with.



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Mr. Jones stated he felt the roadmap communicates how layered and collaborative CEDC's work has become, noting the document was the armature of the 2017 annual report. Mr. Tucker distributed copies of the newspaper ad for the Arts, Culture and Tourism forum. He noted 85 have registered to attend the event.

## **Committee Reports:**

### **Governance and Nominating Committee cont'd:**

#### **Summary Confidential Board Evaluation:**

Mr. Campion directed the Board's attention to the summary of the Confidential Board Evaluation. He noted that this was required annually. He stated he had reviewed and compared the two years and found no significant changes from one year to the next. *Mr. Lapenn made a motion, seconded by Mr. Spielmann to approve the report as presented.*

#### **By-Law Changes:**

Mr. Campion stated the by-law discussion centered around quorum issues. He noted the Committee would continue the discussion. Mr. Jones and Mr. Tucker noted quorum issues arise with recusals and conflicts of interest.

#### **Workforce & Education Committee Status Change:**

Mr. Jones noted the Committee had discussed and agreed the Workforce and Education Committee should be changed from an ad-hoc Committee to a standing committee. *Mr. Lapenn made a motion, seconded by Mr. Lee to change the status of the Workforce and Education Committee to a standing committee. Carried.*

Mr. Campion informed the Board that the Committee had discussed the provisions for required training. Mr. Jones noted the by-laws contained a provision for contacting a member who doesn't attend 3 successive meetings to ascertain ability and interest.

#### **Audit and Finance Committee:**

Mr. Jones reported the committee had not met.

#### **Executive Committee:**

Mr. Jones stated the committee had not met, but is scheduled to meet in the upcoming week.

#### **Loan Committee:**

##### **Portfolio Review:**

Ms. Lane stated there had been no changes. She noted the same three clients continued to be slightly behind in payments. *Mr. Sherwood made a motion, seconded by Mr. Bianchi to approve the report as presented. Carried.*

Mr. Tucker stated the County Board of Supervisors had requested a trending dashboard for loans. He stated he was working on the report with Ms. Lane and Ms. McNary.

**ACW Millwork:**

Mr. Sherwood recused himself from the meeting due to his affiliation with Kinderhook Bank who would be providing funding to the company. Ms. Lane stated the request was for a \$50,000 CEDC loan and a \$25,000 SBA loan both used for equipment purchases. The CEDC loan would have a 5% interest rate over 84 months. The SBA loan would have a 7% interest rate with a 72 month term. Collateral would consist of the equipment, with personal guaranties of the principals. The project anticipates retaining four full time equivalent jobs and creating five full time equivalent jobs. Mr. Jones informed the Board that the Loan Committee had approved the loan with a first place lien on the equipment. *Mr. Fingar made a motion, seconded by Mr. Lee to approve the loan as presented. Carried.*

**Hudson Development Corporation (HDC):**

*Taken from the October 31<sup>st</sup> CEDC Board minutes:*

*The Board requested Mr. Tucker contact the appropriate persons for the following questions:*

- 1. Specific reason the City of Hudson won't finance the purchase*
- 2. Determination of the environmental issues on both parcels of property*
- 3. Specific security including additional owned property and cash flow*

1. Mr. Tucker stated he had contacted HDC regarding the Board's question about why the City would not finance the purchase of the CSX property. HDC responded that their board thought it would be more efficient to make the request of CEDC given the well-aligned mission and the availability of funding for economic development purposes. For that reason, HDC did not ask the City of Hudson to finance the purchase.
2. In response to the issue of environmental issues, HDC confirmed no Phase 1 environmental of the property had been conducted. Based on a review of Department of Environmental Conservation spill reports and Brownfield Opportunity Area step 1 (pre-nomination study), there is little evidence to suggest the site is contaminated.
3. HDC had responded to the question of specific security for the loan: the acquisition of the CSX parcel and subsequent sale of the entire Montgomery Street redevelopment site is part of the HDC cash flow plan. It allows for positive cash flow and the agency to continue its mission.

Mr. Howard reviewed and cited the law revised in 1996 providing protection for the mortgage holder. He recommended suing on the \$95,000 note and obtaining a judgement if the loan defaulted. He noted the holding of the note does not impart liability. Several of the Board members expressed a general disquiet of the loan, with no specifics outlined. *Mr. Sherwood made a motion, seconded by Mr. Fingar to approve the loan as presented. Carried with Ms. Suttmeier voting in opposition.*

**Public Comments:**

Mr. Jones introduced Ian Nitschke from Claverack. Mr. Nitschke requested continued support for the Shaw Bridge rehabilitation project, in light of the scheduled demolition of other historic bridges in the Claverack area.



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*Having no other business to discuss and no further public comments, a motion to adjourn was made by Ms. Finnegan seconded by Mr. Spielmann. Carried. The meeting was adjourned at 9:57 a.m.*

*Respectfully submitted by Lisa Draushuk*