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Columbia Economic Development Corporation

MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
Tuesday, March 26, 2019
4303 Route 9
Hudson, NY 12534

A regularly scheduled meeting of the Columbia Economic Development Corporation (CEDC) Board of Directors was held at 4303 Route 9, Hudson, NY 12534 on March 26, 2019. The meeting was called to order at 8:31 a.m. by David Fingar, Chair.

Attendee Name	Title	Status	Arrived
Ruth Adams	Board Member	Present	
Russell Bartolotta	Board Member	Excused	
Rick Bianchi	Treasurer	Excused	
Jim Calvin	Board Member	Present	
Jim Campion	Board Member – Ex Officio	Present	
Rick Cummings	Board Member	Present	
David Fingar	Chair	Present	
Tish Finnegan	Board Member	Present	9:13am
Derek Grout	Board Member	Excused	
James Lapenn	Board Member	Present	
John Lee	Board Member	Present	
Carmine Pierro	Board Member – Ex Officio	Present	
Seth Rapport	Board Member	Present	
Robert Sherwood	Board Member	Excused	
Gary Spielmann	Board Member	Present	
Sarah Sterling	Secretary	Present	
Brian Stickles	Board Member	Excused	
Maria Suttmeier	Board Member	Present	
Andy Howard	CEDC Attorney	Present	
F. Michael Tucker	President/CEO	Present	
Lisa Drahushuk	Administrative Supervisor	Present	
Kayla Dunst	CEDC Intern	Present	9:16am
Martha Lane	Business Development Specialist	Present	
Erin McNary	Bookkeeper	Present	
Ed Stiffler	Economic Developer	Present	
Carol Wilber	Marketing Director	Present	
Matthew Vanderbeck	Pattison Koskey Howe & Bucci CPA's PC	Present	
Stephanie Sussman	Resident	Present	
Linda Mussmann	Supervisor, City of Hudson	Present	
John Bradley	Resident	Present	
Mary Ellen O'Loughlin	Consultant	Present	

Minutes:

Mr. Lapenn requested a correction to the minutes. He asked that the date on page 4, line two be changed to read May 1, 2022. With no further changes, Mr. Calvin made a motion, seconded by Mr. Lapenn to approve the February 26, 2019 minutes as corrected. Carried.

Treasurer's Report:

Mr. Tucker reviewed the balance sheet and the profit and loss. Mr. Lapenn made a motion, seconded by Mr. Spielmann to approve the Treasurer's Report as presented. Carried.

President's Report:

Mr. Tucker reported the special meeting to discuss the strategic plan had gone well. He noted the attendees had discussed the need for CEDC to be more inclusive; develop better marketing and to assist those in the gig economy. He stated he would be following up with several of the attendees.

Mr. Tucker stated he had obtained an opinion letter from IDA attorney Ted Guterman regarding the risk to CEDC of applying for the National Grid funds on behalf of Vanguard. Mr. Guterman stated the application posed no risk to CEDC. Mr. Howard had recused himself for the project due to a potential conflict of interest with a client. Mr. Tucker stated once he received the memorandum of understanding he would present it to the Board for their approval. He stated he had informed Vanguard of the \$2,500 fee requested by the Board.

Mr. Tucker stated he had met with the Columbia Land Conservancy who had identified the landowners who would allow the proposed rail trail to run through their properties. They were also determining alternatives around those properties where permission had been denied. Mr. Tucker stated he was working with the County on the review of the housing study as well as Energize NY.

Mr. Tucker stated the IDA had set a public meeting date for the Drumlin Fields project, and the County had approved submission of a CDBG grant application on their behalf. He noted he had met with Empire State Development to review all approved projects and available properties in advance of the 2019 Consolidated Funding Application round.

Committee Reports:**Audit and Finance Committee:****2018 Audited Financials:**

Mr. Vanderbeck presented the 2018 audited financials and management letter to the Board. He noted he had issued an unmodified opinion with no new management letter comments. He noted no adjustments were recommended. *Mr. Calvin made a motion, seconded by Mr. Spielmann to approve the 2018 audited financials. Carried.*

2018 Required Correspondence:

Mr. Vanderbeck reviewed the management letter with the Board. He noted there were no new comments. *Mr. Spielman made a motion, seconded by Ms. Sterling to approve the 2018 required correspondence. Carried.*

Form 990:

Mr. Vanderbeck asked if there were questions about the form as presented. *With no questions presented, Mr. Lapenn made a motion, seconded by Ms. Sterling to approve the 990 as presented. Carried.*

Internal Controls Statement:

Mr. Lee made a motion, seconded by Mr. Spielmann to approve the internal control statement as presented. Carried.



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2018 PARIS Report:

Mr. Tucker stated in the past the report had been presented for Board approval. He noted the PARIS manual stated the Board isn't required to approve the document as it represents a compilation of the Board's work throughout the year. He noted he certifies the report after all information has been entered.

Executive Committee:

Strategic Initiatives 2019:

Mary Ellen O'Loughlin handed out copies of the most recent update of the Strategic Plan and reviewed it with the Board. She noted a quality of life dashboard would be developed to be used as a report card later on. She stated the public comments and observations gathered from the March 22nd meeting had been incorporated in the document. The changes from the previous version were:

Pillar One

Objective 1: Moved the second initiative to first place and added "promote inclusive economic development strategies to foster prosperity for all residents."

Former initiative 1 remained unchanged.

Initiative 3 remained unchanged.

Objective 2: Initiative 1 remained unchanged

Initiative 2 revised to read: "Engage *new* businesses and *entrepreneurial ideas* to identify funding opportunities that leverage *county* sector strengths (e.g. *creative, agribusiness, tourism, manufacturing, etc.*) and individual business needs.

Initiative 3 revised to read: "Educate and connect businesses to *loan, grant* and investment capital."

Objective 3: unchanged

Pillar Two

Objective 1: unchanged

Objective 2: unchanged

Objective 3: unchanged

Pillar Three

Objective 1: unchanged

Objective 2: unchanged

Objective 3: unchanged

Pillar Four

Objective 1: unchanged

Objective 2: unchanged

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Objective 3: unchanged

Mr. Rapport asked if the plan would identify projects with the initiatives allowing the board to shift focus. Ms. O'Loughlin stated that would be the purpose of the report card, noting it would link back to the strategic plan. Mr. Lapenn addressed the issue of board diversity which had been raised at the March 22nd meeting. Mr. Tucker stated every board needed to be aware of diversity. Mr. Fingar reminded the Board, CEDC had developed a list of business sectors which had guided the selection of the Board candidates. Mr. Tucker stated the document would be presented to the membership at the annual meeting in a more finished format.

Loan Committee:

Willa's Bakery Café, LLC:

Ms. Lane presented the request from Willa's Bakery Café, LLC for \$30,000 from each of the CEDC and the SBA loan funds. The interest rate was 5.00% on the CEDC loan and 7.00% on the SBA loan, with each loan having a 72 month term. Funds would be used for kitchen equipment and working capital. Collateral would consist of a lien on all business assets of the café and a personal guarantee. She noted the Loan Committee had recommended the loan for approval by the full board. *Mr. Calvin made a motion, seconded by Mr. Cummings to approve the loan as presented. Carried.*

Train Time Express, LLC:

Ms. Lane stated the request was for 2 loans each in the amount of \$22,500, one each from CEDC and SBA. The interest rate was 7.25% on each loan with a term of 72 months. Funds would be used to purchase equipment and collateral would consist of all business assets and a personal guarantee. Ms. Lane stated the Loan Committee had approved recommendation of the loan to the full board contingent upon event commitments and an outline of expenses to be paid to events for participation. Ms. Lane reported the principal contacted 7 potential events, receiving 3 strong proposals. She noted one festival offered to pay her to attend, the others varied in their fee amounts. Ms. Lane stated the principal had taken on a partner in the business, which was a change from the original proposal. *Ms. Sterling made a motion, seconded by Mr. Spielmann to approve the loan as presented. Carried.*

Red Barn Hudson:

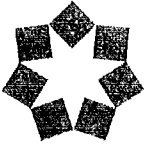
Ms. Lane stated the loan request was for 2 loans of \$22,500 each from CEDC and SBA, each with a 72 month term and an interest rate of 7.25%. The funds would be used for furniture, fixtures, equipment, inventory, an outdoor tent and working capital. Collateral will consist of a first lien on all business assets and a personal guarantee. Ms. Lane explained the loan had been approved by the Loan Committee contingent on the business partner signing the landlord's lease. Ms. Lane stated that that had proved impossible due to the refusal of the landlord accepting two businesses on a lease. Mr. Tucker expressed the desire to assist, but not under the current structure. *Mr. Calvin made a motion, seconded by Mr. Lee to decline the loan structure in it's current form, but encouraged the request to be tightened and brought back to the Loan Committee once the plan had become more focused. Carried.*

Portfolio Review:

Ms. Lane noted the report was clean. *Mr. Calvin made a motion, seconded by Ms. Sterling to approve the report as presented. Carried.*

Business Plan Update:

Mr. Tucker stated the plan was moving forward. He noted the budget was being reviewed. He stated a report would be available at the next meeting.



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Risk Assessment:

Mr. Lee made a motion, seconded by Mr. Calvin to approve the Loan Risk Assessment as present. Carried.

Workforce & Education Committee:

Mr. Lapenn thanked Ms. Wilber for the memo regarding the Junior Career Institute. He noted the Career Expo was scheduled for April and the Committee had discussed a Career Jam with Jim Church from Questar III. Ms. Wilber gave a brief update on the Junior Career Institute.

Governance and Nominating Committee:

Mr. Tucker noted no committee meeting had taken place since the last Board meeting.

2018 Confidential Board Evaluation:

The Board reviewed the evaluation. *Mr. Calvin made a motion, seconded by Mr. Spielmann to approve the document and to forward to the Authority Budget office as required. Carried.*

2019 Compliance Calendar:

Mr. Calvin made a motion, seconded by Mr. Lapenn to approve the calendar as presented. Carried.

2018 Committee Discharged Duties:

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

Membership Update:

Ms. Wilber reported membership to date totaled \$32,666.92, with 12 new memberships and 28 renewals received. She informed the board the renewals for the second quarter would be sent out the first week of April. Ms. Wilber noted the sponsorships for the Annual Meeting were being received. She handed out a copy of the memberships and sponsorships received to the present.

Mr. Tucker informed the board a loan request from HDC would be presented to the board in April. He noted CEDC had previously approved a loan, but the commitment had expired. New updated information had been requested.

With no other business to be conducted or public comments Mr. Calvin made a motion, seconded by Mr. Spielmann to adjourn the meeting. Carried. The meeting adjourned at 10:00am.

Respectfully submitted by Lisa Draushuk