



# Choose Columbia

Columbia Economic Development Corporation

## COLUMBIA ECONOMIC DEVELOPMENT CORPORATION

### Meeting Minutes

Tuesday, September 26, 2023

One Hudson City Centre, Suite 301

Hudson, NY 12534

A regularly scheduled meeting of the Columbia Economic Development Corporation (CEDC) Board of Directors was held in person at their office located at One Hudson City Centre, Suite 301, Hudson, NY 12534 on September 26, 2023. The meeting was called to order at 8:31 a.m. by David Fingar, Chair.

Attendee Name	Title	Status	Arrived/ Departed
Ruth Adams	Board Member	Absent	
James Calvin	Vice-Chair	Present in person	
Richard Cummings	Board Member	Present in person	
Carlee Drummer	Board Member – Ex-Officio	Present in person	
David Fingar	Chair	Present in person	
Tarah Gay	Board Member	Present in person	
Justin Goldman	Board Member	Present in person	
Derek Grout	Board Member	Present in person	
Michael Johnston	Board Member	Present in person	
Kenneth Leggett	Board Member	Absent	
Rachel Levine	Board Member	Present in person	
Bryan Mahoney	Board Member	Present in person	
Michael Molinski	Board Member	Present in person	
Anita Otey	Board Member	Absent	
Carmine Pierro	Board Member – Ex Officio	Present in person	
Rick Rector	Board Member	Present in person	
Sean Sawyer	Board Member	Absent	
Richard Scalera	Board Member – Ex Officio	Absent	
Sarah Sterling	Secretary	Present in person	
Andy Howard	CEDC Attorney	Present in person	
F. Michael Tucker	President/CEO	Present in person	
Jessica Gabriel	Vice President Economic Development	Present in Person	
Chris Brown	Housing Coordinator	Present in person	
Martha Lane	Vice President Business Development	Present in person	
Stephen Vandenburg	Business Development Specialist	Present in person	
Cathy Lyden	Bookkeeper	Present in person	
Riley Werner	Administrative Assistant	Present in person	
Lisa Drahushuk	Administrative Supervisor	Present in person	

Mr. Fingar called the meeting to order at 8:31am with a quorum present.

Mr. Tucker announced that Mrs. Gabriel would be leaving CEDC to join NYS HCR. He stated her last day would be October 28<sup>th</sup>. Mr. Tucker stated a search would be conducted for 2 positions.

**Minutes August 29, 2023:**

*Mr. Calvin made a motion, seconded by Mr. Cummings to approve the minutes from the August 29, 2023 meeting as presented. Carried.*

**Treasurer's Report:**

Mr. Tucker reviewed the Treasurer's Report with the Board. Mr. Tucker noted the Profit & Loss Statement reflected the increase in the amount of County property held, the increase in the SBA Loan funds and the calculation of the leases under the new accounting rules. He noted the liabilities reflected the due from County, the land deposit and the lease liability, noting the amount owed the SBA is also a factor.

Mr. Tucker noted the Profit and Loss statement reflected CEDC was behind in receiving the administrative payments from the HIDA, but noted their 708 State Street project would be closing this week. He noted CEDC would be receiving \$10,000 in administrative fees upon closing. He noted the third quarter payment from the County had been received. He stated the membership campaign would be sent in the Fall. He reminded the Board a new venue would be sought for the Annual Meeting and felt Columbia Greene Community College would be a good fit. He stated bank interest was up due in part to the Employer Retention Credit. He stated income was \$25,000 below budget and expenses were down by \$15,000 due in part to payroll and New Initiatives. With no questions presented, Mr. Fingar called for a motion to approve the report. *Mr. Grout made a motion, seconded by Ms. Levine to approve the Treasurer's Report as presented. Carried.*

**CEDC Committees Report:****Governance & Nominating Committee:**

Ms. Sterling stated she would be sending a letter to the Board, noting the Slate of Officers had to be determined for the next year and asked those interested to contact her. She explained the slate of officers are elected in January, while the board members terms expire at the end of April. She stated she was also seeking new board members and asked the Board to forward their suggestions to her.

**Loan Committee:****Portfolio Dashboard:**

Ms. Lane stated no new clients had been added to the dashboard. She noted Loan Client C's loan in the amount of \$3,800 was written off in accordance with SBA guidelines. She stated she would be asking the Loan Committee for their approval to writeoff Loan Client E (\$3,900) also in accordance with the SBA guidelines. *Mr. Calvin made a motion, seconded by Mr. Grout to approve the Portfolio Dashboard report as presented. Carried.*

**Interest Rate Discussion:**

Ms. Lane stated the Committee had discussed an increase in the interest rates and had recommended an increase to 7.75% on loans not currently in the pipeline. Mr. Tucker noted the change would be for SBA and CEDC loans. He noted the Columbia Forward fund would continue to have an interest rate of 3.75%. *Mr. Fingar made a motion seconded by Mr. Cummings to approve the CEDC and SBA rate change to 7.75% on new loans. Carried.*

**ACW Millwork Loan Request:**

Ms. Lane stated the request was for a \$60,000 CEDC Loan and a \$15,000 SBA loan. The loan would be used for equipment purchases and building improvements. The CEDC loan terms are a 10 year term at 6% interest with collateral being a lien on equipment purchased with loan proceeds and the personal guaranty of the principals. The SBA loan would have a 6 year term at 6% interest with the same collateral. She noted the loans would be cross collateralized. She stated the new equipment was able to do more detailed work with less employee training. *Mr. Cummings made a motion seconded by Mr. Rector to approve the loan as presented. Carried.*



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## **Olde Hudson Loan Request:**

Mr. Vandenburg stated the request was for a CEDC loan in the amount of \$50,000 with a 10 year term at 6% interest and a SBA loan in the amount of \$25,000 with a 6 year term at 6% interest. The loans would be used for working capital, with collateral consisting of a lien on the business assets, a second mortgage on the residence and the personal guarantee of the principal. Ms. Lane stated the lease had been received and reviewed along with amended projections. *Mr. Calvin made a motion, seconded by Ms. Sterling to approve the loans as presented. Carried.*

## **RomberWorks Loan Request:**

Mr. Vandenburg stated the request was for a CEDC loan in the amount of \$30,000 with a 10 year term and a SBA loan of \$20,000 both with 6 year terms. He noted the interest rate for the loans were 6%, and the proceeds would be used for debt refinance. Collateral would be a lien on business assets and the personal guarantee of the principal. *Mr. Molinski made a motion, seconded by Mr. Fingar to approve the loans as presented. Carried.*

## **Collateral Discussion:**

### **Dew East:**

Ms. Lane stated CEDC currently has a second mortgage on the property as well as a blanket lien on the business assets. She stated HVADC ( Hudson Valley AgriBusiness Development Corp) was in process of approving a loan to the business and asked if CEDC could subordinate one or the other to them. She stated the Committee agreed to keep the second mortgage and if the full board agreed, would subordinate the lien on assets. *Mr. Fingar made a motion, seconded by Mr. Calvin to approve subordinating the lien on assets to HVADC and keeping the second mortgage as collateral. Carried.*

### **Go Mushroom:**

Ms. Lane stated the original collateral arrangement had not been approved by all members of the sister company as required. The Go Mushroom principals had asked that the loan be collateralized by a lien on equipment. To date the equipment purchased doesn't match the loan total, however additional equipment is expected and will match the loan amount. Mr. Tucker stated the personal guarantees were strong. *Mr. Molinski made a motion seconded by Mr. Johnston to approve the change as outlined. Carried.*

Mr. Tucker noted Mr. Vandenburg had developed loan information sheets categorizing the loans by business sectors. Mr. Tucker reviewed the sheet with the Board. He noted this information would be reviewed quarterly at the Loan committee and reported to the Board. Mr. Molinski suggested the information be used on the website and social media.

## **Workforce and Education Committee:**

Mrs. Gabriel stated Chris Nardone would be reporting at the next Workforce Meeting. Mr. Tucker stated one of the areas of focus is child care and asked Mr. Johnston to explain the concept to the Board. Mr. Johnston stated he would be meeting with Taconic Hills regarding child care for their staff. He noted if they had spaces remaining those spaces would be opened to the public. Mr. Johnston noted plans for a meeting about staff housing were also being discussed.

## **President/CEO Report:**

Mr. Tucker stated the Board of Supervisors passed a resolution approving submitting an application for a county land bank anticipating it would be submitted in October. Chris Brown gave an over view of the actions of the

task force. Mr. Tucker stated they would be setting a date for a County Virtual Housing Forum. He was anticipating late October or early November.

Mr. Tucker stated he continued working with New Lebanon and Canaan using money received from former Congressman Delgado. He anticipating funds to be available by late 2024 or early 2025, noting the “last mile” connections would be hard to serve.

Mr. Tucker stated the Board of Supervisors Chair had asked him to look into cell service in the county. He noted that topography and siting new towers were an issue. He noted rural areas were not being upgraded and as the more populous areas are updated their service area shrinks, requiring repeaters, which are difficult to site in rural areas. He noted Columbia County would be holding a Climate Forum and CEDC had been asked to assist.

Mr. Tucker noted the second Columbia County Climate Carnival in September 2024 would be held at the Columbia County fairgrounds. They have asked CEDC to be their fiscal agent. He asked the Board to approve a resolution authorizing CEDC to act as the Fiscal Agent for Columbia County for the purpose of accepting donations and pay the associated costs, effective January 1, 2024 to December 31, 2024. *Mr. Calvin made a motion, seconded by Mr. Cummings to authorize CEDC to act as the fiscal agent for the 2024 Columbia County Climate Carnival. Carried.*

Mr. Tucker expressed his concern about infrastructure in the County, with the housing issue. He suggested getting the town and village engineers together in order to apply for grants. He stated he had put together a list of people at the utilities responsible for the EV roll out. He updated the Board on the solar projects. He stated that he and Mr. Brown had been asked to evaluate a short term rental tax. He thanked Mrs. Gabriel for her hard work.

Mr. Molinski asked about the status of the seats of the non-attending members. Ms. Sterling stated Mr. Benson had submitted his resignation and if a resignation was not received from Ms. Otey, she would need to be removed by Board resolution. Mr. Calvin thanked Mr. Grout for hosting the Chamber of Commerce Business After Hours.

Mrs. Gabriel stated the National Veterans Small Business Week is October 30th – November 3<sup>rd</sup> and she had asked the Board of Supervisors to issue a proclamation for that week. She stated the County was working with the McNulty Center in Albany to determine what programs could be made available for Veterans in Columbia County. Mr. Tucker stated the programs were virtual so CEDC can market them to businesses in Columbia County and the veterans can participate.

Mr. Rector asked if the short term rental tax program would be County wide or town by town. Mr. Tucker stated it would be County wide but he wasn't sure how that would interplay with the City's current program. He stated it wasn't clear if CEDC would be involved in the program.

Dr. Drummer stated the College was projecting an 8% increase in enrollment for 2024. She stated since the beginning of the semester they have brought in over one million dollars in grants to support their healthcare program, allowing the purchase of training implements such as a birthing mannequin. She also announced the opening of an art exhibition to commemorate the authors of banned books running from October 1<sup>st</sup> – 7<sup>th</sup>.

*With no other business to be conducted, and no public comment, Ms. Gay made a motion, seconded by Mr. Rector to adjourn the meeting. Carried. The meeting adjourned at 9:37am.*

*Respectfully submitted by Lisa Drahushek,*