

HUDSON DEVELOPMENT CORPORATION



Monthly Board Meeting Minutes

September 25, 2018

12:00 PM

1 North Front Street, Hudson, NY 12534

PRESENT:

John Gilstrap
Bob Rasner

Don Moore

Chris Jones

Tom DePietro

Mark Morgan-Perez

Steve Dunn

Nick Haddad

ABSENT:

Mayor Rick Rector

Alex Petraglia

Carolyn Lawrence

STAFF:

Branda Maholtz

1. CALL MEETING TO ORDER

John calls the meeting to order at 12:01 PM.

2. MINUTES

a. REVIEW AND APPROVE August MINUTES

Bob makes two corrections—without CSX parcel, not with on page 2, and 5 New Business, nominating committee met 5 times, not board met 5 times.

Tom clarifies that he was no longer a member of the nominating committee and would like for the minutes to reflect this.

John MOTIONS. Chris SECONDS. ALL IN FAVOR. MOTION PASSED.

3. FINACIAL REPORTS

a. REVIEW AND APPROVAL OF FINANCIALS

Don reports that we are land rich and cash poor. We have a little over \$40,000 in cash right now, acknowledging the Police Grant funds at \$10K.

Don spoke with Tom Rossi at The Wick and he would be willing to lease the concrete area for parking for a year if the project is not moving forward at this time.

We also may be able to rent the space upstairs for administrators, perhaps during the DRI process.

He reiterates that HDC has a long term lease with the 2nd floor of 1 North Front Street.

Chris clarifies to the board that Redburn paid for the partial demo of the Kaz. Steve suggests a 30 day termination clause.

Don MOTIONS. Steve SECONDS. ALL IN FAVOR. MOTION PASSED.

b. 2019 Budget

Don MOTIONS to Accept the 2019 Budget as proposed. Bob SECONDS. ALL IN FAVOR. MOTION PASSED.

4. OLD BUSINESS

a. KAZ REDEVELOPMENT/RFP- NEXT STEPS

Don addresses the board as he has reached out to the developers to let them know the project has paused and that there is a chance that we will reissue the RFP. Two of the three applicants are still interested and they all recognize that the bids are no longer valid. There are economic issues, like tariffs, that could change the costs from the developer perspective.

Don also reached out to Dan Tszuniski to see if he is willing to help put together a draft agreement together so that we all are aware of how site control is handled after the transaction.

Mark suggests a ground-lease instead of a sale. As it might have some benefits, but it is complicated. It would enable a consistent revenue stream for HDC. The developer would have less of cash outlay to start. It might be something worth exploring.

John thinks it might be a good idea. The developer could put this in their proposal.

Steve has experience with land leases and in his experience they are finance driven—but as we rework the RFP with more specificity and input from the public, it may be premature.

Walter asks about the status of CSX as this is an incentive. Steve has been looking into this for the board. Don states that the time and money and duration of an eminent domain may not be feasible now. At least 2/3 developers felt that they could come up

with a way of purchasing the property on their own. John states that the contact at CSX and this might be a restart or at least helpful to us.

Bob addresses the board that it takes enormous energy from the board. The public doesn't seem to have confidence in us to do it correctly. He wonders if it could be beneficial to focus on our mission and just outright sell the property. He is not offering it as a motion, but feels that we need to examine the option.

Steve feels that would be more controversial. This is a complicated endeavor. The city and the public is interested in controlling and dictating what the purpose and use of the site. He wants to fully understand the implications before make any decision.

Don addresses the board that this board has had one major sale. We thought it was a good investment with community minded approach. Because there are so few developable properties in Hudson. Finances are not the only criteria for making a decision. When HDC sold the other warehouse to Rob Kalin (Kite's Nest), we didn't tell him what he should do with the building, but we did evaluate what he intended to do. We had a clause in the contract that if he didn't do anything in 5 years, there was a \$50K cost. Then Kalin gifted the building to Kite's Nest.

Nick states that the most precious asset to the city is the Waterfront. If we move glacially it is fine, but turning anything over to a developer without oversight could be disastrous. We can't always control it, but we are fortunate that we have the waterfront and it's important to be careful on how we structure a sale.

Tom confirms that there is no longer a waterfront development committee. John thinks that there would be potential that if this board was funded, they could take over the property.

Mark agrees with what Nick said, and looking at the mission and this property. It is one of the best ways to address the mission, but selling outright might bring in revenue, to him it is worth the time and effort to fulfill the mission.

Don restates that we have a lot to do and it's a baseline question. Bob states that the purpose of the suggestion is to stimulate discussion. He wonders how we can move forward and not get bogged down and find ourselves still here in 5 years. John also agrees that he is worried that this will drag out and he wants to perhaps develop a process in place. Steve wants to understand more about the context with waterfront development and DRI and public input, then with that knowledge we should be able to understand what we can do and what's possible. He feels incompetent at this point as he doesn't know enough about it to decide.

Walter says that the process wasn't ready for a visual design and the public saw unfinished renderings and then the public reacted to this. There is an intense number of people in city government and local input who will have opinions and if we have an established process that both the community and the developer accepts it might be better suited.

Mark mentions that during the DRI process there was a lot of feedback that we could go back to. The board discusses showing ROI, green-capability, and then design as a section stage. Don wants to make sure the new board members are aware of the work

and baseline that we created through the process. Don will pull this together and share with the board and with the public that speaks to where we are and how we got here.

Nick reiterates that he feels the board needs to take our time as the property was a “tank farm” and we are fortunate that we have this “blank” canvas.

John feels that we need to reform a committee to look at the Kaz process. We need to address the straight out sale and make sure that everyone is on the same page. John states that it seems like that we need to redo the RFP. We can have it out longer, as the public stated they wanted, as well as adding other public benefits. Walter wanted to add elements of smart codes to the RFP. John cautions that he doesn’t want the RFP to be too specific in any area because he doesn’t want to stifle the creativity.

Mark points out that the Strategic Housing Plan that was passed by the city lays out the number of housing needed and other elements that we can keep it in mind for the new accurate data. The board agrees that we need to keep this in mind. Don points out that it was in the RFP, but now we can be more specific.

b. SHARED SERVICE AGREEMENT with HCDPA

Steve reviewed this and spoke with Branda. He doesn’t feel that the document is suited to what will be happening in the future. He wants Branda to prepare a memo to share what exists now and as she is hourly, the agreement should reflect this.

Walter asks if we could agree to have a verbal agreement where Branda keeps a timesheet in order to calculate the time given to each agency. Steve will create a new draft and Branda will provide the memo along with hours tracked.

5. NEW BUSINESS

a. NOMINATING COMMITTEE – Report

We added our new members but we failed to give them the terms. Steve Dunn, fills vacancy that ends in March in 2019, Mark fills vacancy that ends March 2021. Nick has a full 3 year term ending 2023.

Don MOTIONS to approve the terms. Chris SECONDS. ALL IN FAVOR. MOTION PASSED.

b. NOMINATION: Gregg Carey—Gregg was unable to be here today. Bob will delay the nomination until next meeting.

c. NEW COMMITTEES and COMMITTEE MEMBERSHIP

Bob addresses the board in general operations. He states that they board met once a month and went over the work done and to be done, but Sheena did a lot of the work on behalf of the board. He feels that the board needs to have active committees that meet and do work and then report back to the full board.

He suggests three major committees that include a chair:

Internal Affairs

External Affairs

Governance- health and functioning, recruits, evaluations,

Underneath these there could be more Ad hoc, Day to day, committees come and go based on the project: like nominating, Kaz.

He suggests that these committees could include members of the public but they would not be voting members. It could be a good way to gather public input and also perhaps train new members to join the board.

Steve asks about purpose of the extra layer of the committee. John agrees. He wonders if there can just be committees that report back to the full board. We started to have larger ad hoc committees before with workforce development, econ development, and tourism. John suggests that we get rid of the top layer and just get to work.

Don points out that we need to have the audit/ finance committee as required. Bob addresses the board and states that with a full board at 15, there is a lot of work to do in between meetings to move forward.

Steve inquires how the boards will be ‘staffed’ or filled to do the work. The board explains that board membership is by volunteers.

- d. DRI Updates—Mayor unable to attend, will get updates at the next meeting. Don states that since we have 2 projects, one is KAZ and the other one is for MWBE program that may be administered by the Chamber of Commerce. Don suggests that they reach out to ESD and Mayor to get understanding. John has a meeting set up with Mike Yevoli at ESD to have this discussion.

Nick asks the board what HDC was doing with the original 2 Million that was slated for the DRI award. John explains that it was meant to both be an incentive and also for other planning and transportation oriented infrastructure.

Walter suggests that we should really get the CSX property in order to make sure the project is valuable moving forward. Nick asks about the eminent domain, and if the city is unwilling. The board is unsure and wants to find all the documents and make sure everyone is on the same page on the board. Walter is worried about the public perception that it is contaminated. He feels that it can be properly treated and we can address this with the public to mitigate negative feelings. Don states that we could probably do an ESI by the property line.

- e. MONTHLY BOARD MEETING TIME
John states that it has been suggested that we move the board meeting 6 PM on the last Tuesday of the month.

Don MOTIONS to move the meeting to 6 PM. CHRIS SECONDS. MAJORITY IN FAVOR, 2 abstentions.

6. PUBLIC COMMENT

- a. Sarah Sterling is on CEDC, and County Supervisor. As she is not in favor of dissolving HDC, She suggests that a member of HDC could be a member of CEDC. Sarah states that there are workforce development committees, housing committees, and etc. They could potentially work together.
- b. Matthew Frederick, architect and designer. Suggests an Urban Design Study. It is about the basic way a public space is structured. Once that is done, and then you can do the

RFP. There is still an assumption in the discussion that only one developer must develop the property. He wants to make sure that the money stays here. He wants the board to look at Warren Street as an example.

Mark responds that this approach may lead to non-affordable housing in the area, as the sites are smaller. He does agree that it would be nice to approach this way, and would like to see it be feasible. In terms of wealth being kept in the community, I understand and I don't know that I agree because we can get expertise and talent from an outside perspective.

Clark Weiman agrees with Matthew Frederick. He feels that the space is large enough to do a multitude of projects. He feels the board has not addressed the planning element. If the city did have a planner and then they could address the public concerns. He wants there to be a process in place and allowing the developer determine the process is a mistake. He reiterates that he wants the city to have a planner. He states that he appreciates the board and their decision to have new board members and the change of time.

7. ADJOURNMENT

JOHN MOTIONS to Adjourn. Tom SECONDS. ALL IN FAVOR. THE MEETING ADJOURNS at 1:39 PM.