

# HUDSON DEVELOPMENT CORPORATION



Special Board Meeting Minutes

July 28, 2020

12:00 AM

1 North Front Street, Hudson, NY 12534

PRESENT:

Mayor Kamal Johnson  
Bob Rasner  
Tom DePietro  
Carolyn Lawrence  
Seth Rogovoy  
Nick Haddad  
Steve Dunn  
Kristan Keck  
Martha Lane  
Phil Forman  
Paul Colarusso  
Pete Schram

ABSENT:

Paul Barrett

STAFF:

Branda Maholtz

- I. July Meeting called to order at 12:01 PM.
- II. Minutes: June Meeting—Phil MOTIONS to accept. Nick SECONDS. ALL IN FAVOR. MOTION PASSED.
- III. Finance:
  - A. Phil Forman updates the board on current standing. Bob was able to find a willing lender who is a private individual to provide a bridge loan, no fees or interest. The loan timeline is for 90 Days, and is to be used for operating costs and payroll. We believe that one of our smaller properties will be disposed of in the 30 days. The lender wishes to remain anonymous and is not a member of the board. Steve wants to see the agreement. Branda shares the agreement on the screen. Tom thinks there might be a legal issue with an anonymous donor. We will need

to look into this. Steve agrees to look into this, the loan is ok, but the anonymity might not be. Nick mentions that he felt it was ok for the board to know the loaner, but maybe not the public. Since we can be foiled, and we are publicly audited, Phil states, this person is not really anonymous but desires not to be announced to the public. This is a loan, not a donor. Phil states that we didn't want this to be complicated. Bob was the one that reached out and states that we had several offers, he agrees that it is too complicated. Bob will inquire with lender and if he doesn't want to be known we have another option. Steve would still like to update the proposed document. The board agrees to accept the loan as long as this lender will be publicly known.

Steve MOTIONS to accept the monthly financials. Paul SECONDS. ALL IN FAVOR.

B. Annual Audit Status- Branda updates the board. She has been working with the audit team to supply information as requested. There will be another meeting soon to go over next steps.

IV. Old Business

A. Nominating Committee: Chris Jones- Steve Dunn has fulfilled the remains term. He would like to nominate Steve Dunn for a full 3 year Term. Tom SECONDS. All in favor. MOTION PASSED.

B. Emergency Task Force

i. Business Task Force: Short-Term Lodging Conversation: Bob Rasner— Updates the board on the couple of meetings that HDC hosted to facilitate conversation about Short Term Rental regulation where we hosted both Alderpersons John Rosenthal was at the first meeting and Rebecca Wolff was at the second meeting with approximately 80 participants. In the third meeting, Bob explained to the group that the group could take the group on the own to move forward. We can help schedule zoom meetings for them, but it is their project to run and they have set up a private facebook page to continue. Steve Dunn comments that he could have assisted with the fact sheet with his knowledge with sales tax. He understands that we were trying to provide facts for the conversation to be informed. Phil comments that he feels there is a lot of good thinking going on now, we received communication from Peter Frank that re-emphasize the need to for an economic impact study. He continues that Bob did us all a service to gather Hudson-centered data together for the discussion. Tom DePietro asks about the potential for HDC help the group if they were raising funds we could open an account for them, and if that was allowed. Tom disputes the setting up this type of account as the group is considering suing the city over the legislation. Bob is opening the conversation as HDC would not be taking a position. Steve agrees that HDC opening an account does create an issue and he would want to see a legal opinion before taking any action. Seth agrees with Steve and since we don't have a policy for this sort of transaction and that it should come before the board. Branda's previous input. We will not set anything up until we research this and will bring it to the board.

ii. Hospitality Task Force: Kristan Keck- Kristan reports that the STR is on the front of everyone's minds in this business sector. It's not about the business that pay sales tax, but everyone in STR are concerned and need to have more information.

iii. Culture Task Force: Seth Rogovoy- Little report this month. The group continues to meet and the sub-groups continue their projects. We may have some more funding to come to the Emergency Fund to dole out. Seth asks if we should continue to have the meetings as the Monday meeting since the group is moving on their own with STR. Bob opens it up to the board to discuss. There has been a lot of momentum, the culture group specifically has a lot of initiatives. Chris asks to have a list of what has come out of the meetings to document. Bob mentions that the Wick may want to fund a mural.

iv. Project Hudson Applications: Hudson Lodging, Calendar- Bob and Branda followed this through. For the Lodging and the Calendar, we are pending phase for both of these.

v. Workforce Development: Carolyn Lawrence- Carolyn announces that Martha Lane is now joining the committee. They had several meetings with Albany can code and CEDC. She has also met with Columbia-Greene workforce and it's clear that we need to partner with community based organizations to ensure success. Identify business needs, funding sources, individuals to take the classes, instruction that leads to employment. We could work with HBCi, Chamber, CEDC, and we can do a survey to access needs. We could work with department of labor and other sources. She asks Kamal about 100K from the DRI. Kamal asks if HDC has plans for this, and Carolyn will meet with Kamal to discuss potential for helping fund this coding education initiative. To identify participants Albany Can code will help figure out what the needs are. Carolyn would like to help adults first, as it seems to be a greater need right now. We want to be able to provide opportunities to those that may not have access to something like this right now for workforce development. Seth is supportive of this project. He asked about the 250 people that have gone through the training have had job placement. The intention would be to help fund a program like this perhaps with DRI funds, donors, etc. Carolyn mentions the career room that HDC purchased computers at Bliss Towers and she wondered if this could be a connection and she will talk to Tiffany Garriga to see where that is.

#### IV. Property:

A. Mill Street Update: Paul Barrett— is absent, Bob reports, currently advertised for sealed bid, bids will be opened on August 25th. We posted this on Zillow and it has many hits. Steve asks if there is a for sale sign, and we aren't sure. Steve will do it. He also asked about the weeds, and he will ask for a bid on getting them removed.

B. Mt. Merino Update: Paul Barrett- Steve updates the board. It's 3 acres just up from the River on Western Side of residential lots. The parcel is landlocked, and it raises a legal issue. Steve researched and came up with strategy. NY Law is strange with landlocked— we have to identify the cause of the landlocked, and then can obtain easement from the property close that has access. The purchased property came from from OWASCO who sold it to contrail/CSX. If we obtain easement, we have a problem in getting a road up there, but there is a gentle slope. And he will get an estimate on how much that would cost. Steve tracked down the private party with nearby parcel and found that there is a "secret road" that he uses to access his parcel. We might need to ask CSX for easement to cross the tracks. As CSX is not wanting to do so, the equitable

option is to have CSX build a road, or provide easement. It has amazing views, but Steve wonders if CSX will just buy the parcel. We will open a conversation with CSX. Nick MOTIONS for Steve to take action and engage in conversation with CSX. Paul SECONDS. ALL IN FAVOR. MOTION PASSES.

C. Montgomery Street/KAZ: Nick Haddad — Bob notes that two meetings ago, that we have stated that we are real estate rich and cash poor. We are not a real estate agency or developer, we have a large value able parcel that is off the tax rolls and we need to take a serious look at disposition of the Montgomery street property. We do not know what our role would be in development with a prospective buyer. Nick reports is that we need a starting point. We have requested a new one as the context has changed. The appraisal isn't going to establish what the property is worth, but the market does. As we went through the RFP process before we have an idea of what the cost should be (2 are still interested). Do we want to consider selling it outright, a leasehold, or something more creative. The KAZ committee has not convened since the pandemic commenced. Nick feels that we need to consider this project as something that will benefit and enhances Hudson for the next century, not just the next decade. Our tax situation is grim for the city. And we want this to help the city and be able to fund our programs under our mission to keep providing support. We can divide the parcel, we can do one large parcel, these are all conversations to be had. Whoever acquires it will have to work with the city to build. We also can help the developer with the DRI award if they want. The appraisal should come in the next couple of weeks. The value underwrites the mission of HDC— whether that's a fund, or endowment, we will need to consider this carefully. Steve agrees that we need to get the appraisal and he feels that it should be residential, but on some portions residential isn't allow. We might need conditional use permits, zoning updates, etc. He doesn't feel that we have control, and urges the board to reach out to the planning board and city to get a sense of what their looking for in the parcels. There will be conditions in the contracts and contingencies. We don't want to tie up the property and go through this again. We want to have input from the council and planning board, the public so that the project doesn't fail. Nick feels that it should be the developer's responsibility to 'sell their vision' to the public. He doesn't want to sell the property Willy-nilly. We have support from the state that we should sell and get back to the mission. Steve repeated that the contingencies may prove hard to provide and we may not get the money out of it. Phil feels that they are both going too far ahead in either direction. Phil opines about what the board can do to make an informed decision. We are considering a spectrum of choices and considering them as binary (disposal v. Pinata for the universe). We need to consider the impact on the waterfront. He states that there are interested neighbors. What outcomes can be achieved for the various options. Nick uses the idea of parcel dividing as it may in theory provide more tax relief for the city, but we approached it as the developer just providing the requirements we set in the RFP. Do we want to have any say how it will look in the next 100 years.

V. Public Comment- Mike Tucker thanks the board for the excellent discussion and the movement forward to ensure that we can repay the CEDC loan in a timely manner.

VI. Adjourn Nick MOTIONS to Adjourn. Carolyn SECONDS. ALL IN FAVOR. The Board Adjourns at 1:38 PM