

HUDSON DEVELOPMENT CORPORATION



Board Meeting Minutes

May 25, 2021

12:00 PM

1 North Front Street, Hudson, NY 12534

PRESENT:

Bob Rasner
Nick Haddad
Paul Barrett
Phil Forman
Tom DePietro
Mayor Kamal Johnson
Susan Knauss
Seth Rogovoy
Steve Dunn
Martha Lane
Chris Jones
Kristan Keck
Paul Colarusso

ABSENT:

Pete Schram

STAFF:

Branda Maholtz

- I. **Call Meeting to Order:** Bob Rasner calls meeting to order at 12:13 PM. Bob's opening comments. Today's word of the meeting is "Decision." We are on the brink of a major decision. It's not just the potential development at KAZ, but there are a lot of things that we need to consider at this meeting today. Some decisions are small, some will have a lot more impact for our community and the future of Hudson. The decisions could change the role of this corporation dramatically. We will look forward to economic and job development. We will form a program committee to focus on workforce development with partnership with other groups in town like

the chamber of commerce, and cedc, to start to plan for the future. We may reach out to CIA (culinary institute to develop a program for hospitality.)

- II. Minutes: April Meeting: Paul MOTIONS to accept the April Minutes. Chris SECONDS. ALL IN FAVOR. MOTION PASSED.
- III. Finance: Phil Forman
Monthly Finance Report: Paul MOTIONS to accept the Financials. Chris SECONDS. ALL IN FAVOR. MOTION PASSED.
- IV. Old Business
 - a. Mt. Merino update: Paul Barrett—The sealed bid sale was completed and contract is out. Closing Date, May 28 closing.
 - b. Disposition of Montgomery Street Property: Board Discussion
 - i. Offer and Pending Offers: Bob reminds the board that there could be portions of this conversation in executive session. He reviews the policy which allows the discussion of real estate in exec. Session. This is also true for the discussion of salary or compensation of a staff member. We make every attempt to be transparent and keep the conversation open to the public. If we do need to go into executive session, we ask for the utmost confidentiality. Because that could harm the negotiation. HDC acquired the parcels in 2010 from the owner who was behind on back taxes. We made the payments and received the parcels which have remained off the tax rolls. HDC has gone through a lot of discussions, including multiple RFPs. We have met with interested parties over the last year to see what is possible, up to eight or nine firms. All of them were series investors. Before our appraisal the board determined that the minimum price would be 2 Million dollars. We have completed title, survey and appraisal. We have an appraisal for 2.3 million. We have two serious offers, both of which exceed the minimum, both are cash and both are no contingencies. One of which came in the last 24 hours. It would be unfair to discuss without analysis of each. This process will go quickly. We would like to meet with the interested parties again and meet

again with the board within a week. Steve inquires to discuss the offers in executive session today. Bob says that we can do that if the board desires to know the exact offers. Steve asks about the previous bids and if they would be considered to be 'stale.' Branda points out that all of the reasoning or justification is in the notice to ABO. Seth comments that because he doesn't know the names of the parties if we've considered Regenesys and Empact. They were not interested in purchasing the property, but they were interested in working with other groups. Seth was wondering if there was some group like them to help us make a decision. He states that it could be some type of consultant. Susan asks about the change of zoning potential and how the property is being marketed. Bob clarifies that it has been outreach from the board, and word of mouth. Branda explains the zoning as Residential Special Commercial 2. Steve Dunn also comments that he still feels we should go out to bid with a minimum bid as to make this more simple and give more confidence to the community especially with all cash offer and no contingency. Bob points out that the sealed bid option is still available. Seth adds that in the historical attempt to sell the property and with some consultant to help with the community by-in. Even though we can sell it, do we need to have a project that will be supported by the community. Bob remarks that there have been questions with city officials that have also asked in general, what will they build... and Bob states that once the buyer has the parcels, they have to go through the process with the public and the planning board. He says that there needs to be a measuring stick, and that is the administrative process for the city. That will be the time that the public can become involved. Bob does state that the intertest offers are from people are from Hudson. Phil remarks that the offers we have could be sensitive to time, meaning that the offers might go away. Phil states that he doesn't want to speak for the board, but he did not feel that the process would be so successful. There

were many people in town that thought that the appraisal was too high or unrealistic. He feels that wherever we end up next, he wants to congratulate the Chairman and Executive Director for carrying a lot of the weight. He feels that the interested parties are invested in Hudson and that's important. Bob also mentions that He and Branda met with city officials 10 days ago to bring to their attention the possible interest in Dunn warehouse and other city-owned parcels. The Mayor confirms that it wouldn't be the time for the city to take a step towards this without knowing the project. Bob also asks about the sale of a portion of Montgomery Street, which Tom confirms that it is for sale and when it goes to bid it will be a public bid process. Nick comments that the entire process and HDC has tried to be forward looking when considering potential buyers for the property. We are aware of the importance and he would like to reassure the group. Kristan asks via chat when the board will know more about the specific offers. Bob explains that he will sit down with the buyers again and then pull together materials for the board to review. Steve wants to be sure that that if we do want to sign a intent letter, that we are not binding to anything. Bob reminds the board that the intent just allows us to move to the contract negotiations.

- c. Narrow Parcel North of Dog Park/Underwater land.
 - i. Survey and Title Search: Still not complete on narrow parcel.
 - ii. We are starting to look at 14 acres of underwater land that we own as well.
- d. By-Laws Revisions: Paul and Martha. The first revision is about staggered terms. Paul MOTIONS to accept the changes. Nick SECONDS. Steve provided revisions. Staggered terms need to have slots, otherwise it will not work moving forward. He feels that we need a transition period. Since some end in March, we need to extend to May for the terms to be in sync. Bob suggests that we table this recommendation until the next meeting.

The second section is about Duty of Loyalty. They are recommending the change to director for clarity. Paul MOTIONS to accept the change. Steve SECONDS. ALL IN FAVOR. MOTION PASSED.

V. New Business

- a. Compensation Committee: Phil MOTIONS to go to Executive Session. Nick SECONDS. ALL IN FAVOR. Board goes to executive session at 1:25 PM. Return from Executive session at 2 PM. Issue salary, payment for hours worked and not paid. Bob MOTIONS. Paul SECONDS. ALL in Favor. MOTION PASSED.
- b. A. Colarusso & Sons donation to HDC for Promenade Hill Park: Paul addresses the board about his firm in tandem with Galvan Foundation donating funds to make up for the difference in budget for completion on Promenade Hill Park. HDC will act as the fiscal sponsor to accept the donation and provide to the city of Hudson: \$100,000. Chris MOTIONS for HDC to act as fiscal sponsor. Paul SECONDS. Paul Colarusso Abstains. Seth Rogovy votes against. MAJORITY IN FAVOR. MOTION PASSED.

VI. Public Comment: Rebecca Wolff asks about the process for doing a negotiated sale. The board decided they would accept 2 million for negotiated sale. However, when the board comes to decide on the offers and make a decision it will be discussed again then.

She asks about workforce development and other partnerships we make embark on in the future.

VII. Adjournment: Paul MOTION to adjourn at 2:10 PM. Nick SECONDS. ALL IN FAVOR. MOTION PASSED.