

**Minutes DRAFT4**  
**Hudson Development Corporation**  
**Tuesday, December 19<sup>th</sup>, 2023**  
**One North Front Street**  
**Hudson, NY 12534**

A regularly scheduled meeting of the Hudson Development Corporation (HDC) Board of Directors was held at the offices of the Columbia County Chamber of Commerce located at One North Front Street, Hudson, NY 12534 on Tuesday, December 19<sup>th</sup>, 2023.

Meeting was called to order at 4:00 PM by Christine Jones, President.

- President Jones welcomed Board and members of the public and confirmed that we are conducting a hybrid meeting via Zoom.

<b>Name</b>	<b>Title</b>	<b>Status</b>	<b>Arrived/Departed</b>
Paul Barrett	Secretary	Present	
Paul Colarusso	Board Member	Present	
Tom DePietro	Board Member (Ex-Officio)	Present	
Phil Forman	Treasurer	Present	
John Friedman	Board Member	Present	
Nicholas Haddad	Vice President	Present	
Mayor Kamal Johnson	Board Member (Ex-Officio)	Present	12:22 PM
Christine Jones	President	Present	
Kristan Keck	Board Member	Present	
Martha Lane	Board Member	Present	
Seth Rogovoy	Board Member	Absent	
Peter Schram	Board Member	Absent	
Britt Zuckerman	Board Member	Absent	
Kristal Heinz	HDC Attorney	Present	
Jan Egan	Scribe	Present	

• **Minutes of November 28<sup>th</sup>, 2023**

- President Christine Jones asked for a motion to approve the November 28<sup>th</sup>, 2023 Minutes.
- HDC Minutes had not yet been distributed, so motion was made for President Jones to distribute November Minutes to Board and have Board members respond in a timely fashion. Motion unanimously approved and carried.

• **President's Comments**

- JLE acquisition and timeline was discussed. Working on adaptive reuse of JLE property for 7 months: exploring the acquisition, using the 2019 Feasibility Study and financial logistics.
- Executive Committee has met with Denham Wolf and have asked them to re-examine their proposal to refocus their energies on financing partners and finding investors (private/public grants) and re-submit a new proposal.

## • **Treasurer's Report**

Treasurer Phil Forman spoke about housekeeping issues:

- Heading back into a new year and a new audit with Paris, so Treasurer Forman spoke about the audit process.
- An Audit Committee will be formed to help with audit.
- UHY kick-off will include Julie Marshall from Harris Beach.
- UHY is proposing January 8<sup>th</sup> or January 9<sup>th</sup> (Forman will get back to HDC Board with exact dates.)
- Audit is due 3.31.24 (Submitted by Friday 3.29.24).
- Treasurer Forman looking forward to a seamless audit.

Monthly Financial Report:

- Statement of activity and balance sheet distributed.
- \$90,000 investment earnings projected by end of year; currently we are at \$74,402 (and year is not over yet).
- Motion made to approve budget as submitted.
- Member Friedman so motioned, member Barrett seconded and motion to approve Treasurer's Report as submitted carried.

## • **Progress Report**

**President Jones gave a brief update:**

- HDC involvement in Winter Walk was very successful. HDC gave \$5000 to hire a staff coordinator who kept the event organized, and President Jones praised the person who was hired to produce/organize Winter Walk.
- President Jones curated Food Trucks, which were quite successful.
- Some restaurants participated as well.
- There will be a debrief in January 2024 to review what worked/improvements, etc. for Winter Walk next year.
- Estimated turnout was 4,000 people.

**Pro Forma for JLE/Hudson Hub acquisition:**

- Member Friedman presented first working draft that demonstrates that owning this building is "not a business" but is not a "money-suck" either.
- Rentable space initially is about 23,500 square feet.
- Senior Center will remain at the library.
- Bank of Greene County can lend up to \$10 million for this project, with bank receiving credits for re-investing in the community so they can open more branches.
- Enables them to give HDC a slightly better rate, and more importantly they can finance a larger amount.
- Not a lot of comps for new office buildings: about \$21/sq. ft. for rental. With a 20% discount, average is about \$16.80/sq. ft.
- Assumption is that we will have tenants on Day 1 opening of Hudson Hub.
- Should be able to sell some leases upfront.
- Annual Escalator is 3%.

- How HDC pays for it: 100% based on debt. \$3 million initial loan (what it's going to cost to purchase and close).
- Total of \$10 million in mortgage debt assumed on this project.
- Assumption is that we will have some grants; but as it is an important building and will provide an important role for the city: energy efficiency, adaptive reuse.
- Month 1 starts from the month we close on purchase.
- Conservative estimate is \$5.25 million in grants across the first 3 years (which is not enough and must be aggressive in obtaining grants.)
- Member Friedman spoke to Mark Fingar about insurance costs, etc. with the assumption that we will be upgrading systems.
- Even under this limited model, this acquisition can be relatively self-sufficient.
- Looking at the JLE acquisition, we need more generosity to make this work.
- Pressure test is not possible at this point because we need to see how we generate grant monies, donations, etc.
- President Jones thanked Friedman for his time and effort, as did Treasurer Forman, and applauded Friedman's Pro Forma estimates.
- Member Haddad spoke about the "non-office-able" space (cafeteria, locker rooms, gym, etc) that is public space.
- JLE acquisition requires a tremendous amount of support and will be reliant on maintenance charges and rent income and will be depressed until the note is paid.
- HDC will continue to refine this document moving forward.

### **Denham Wolf Proposal Review:**

President Jones spoke about Denham Wolf's proposal and noted this is a first in terms of size and scope for the HDC.

- Engaging Denham Wolf is not without cost.
- They will do a Pro Forma estimate as well; this is a big piece of their deliverable.
- Give us an idea of what HDC can expect in terms of required levels of funding.
- Give us a summary of projected sources/uses of funding gaps and give us other ideas for funding sources.
- Strategies for how HDC can think about funding sources.
- A huge grant writing landscape.
- Denham Wolf has a network of private investors/foundations (public and private sector).
- Fees that HDC pays them to do this will be helpful moving forward about financial investment moving forward beyond JLE acquisition.
- Tenant ideas/solutions as well.
- Members of HDC Executive Committee like this proposal.
- Treasurer Forman spoke about an "inflection point": we need to get the information we need to either move forward or not.
- Denham Wolf will be looking at silos that are critical to HDC mission: child and day care, youth services, etc.
- Amortize investment in Denham Wolf services for future HDC projects, given their excellent reputation with NYS and grant world.

- Feasibility and funding are the two big questions about whether HDC moves forward with acquisition.
- Member Friedman spoke positively about Denham Wolf's expertise in structuring financial deals to support non-profits.
- Denham Wolf clearly knows how to work with financing entities to generate support, particularly when it comes to private foundations.
- Member Haddad spoke about hiring consultants and spoke positively about this company and their focus on not-for-profit entities.
- "Re-writing" the HDC playbook is a good thing and there is value in learning how to do this moving forward; money well spent.
- Member Barrett was also impressed; and spoke about their level of expertise.
- Proposal includes a 3-month "fact finding" period; they need to get up to speed.
- Denham Wolf proposal is \$45,000.
- ***President Jones asked for motion to approve up to \$45,000 to engage Denham Wolf estimate to investigate JLE acquisition. Member DiPietro so motioned, Member Barrett seconded, and motion unanimously carried.***

#### **Jessica Waller Grant Writer Proposal**

- Jessica Waller will work with Scribe Jan Egan on grant-writing effort.
- Landscape/scope of ways to think about writing grants: acquisition of building, owning building, capacity functions, construction consultant, recycling, HVAC systems, green roof, infrastructure, remediation, energy efficiency, passive solar, adaptive reuse, etc.
- Timeline: landscape research will be done in January, research, and development in January/February, writing grants in February/March.
- Estimate is 10 hours a week to complete. Proposal is 8 week (1/8-2/29), fee is \$80/hour for a total of \$6400.
- \$3200 due 1/8, balance due at end of project.
- Ms. Waller will report back to the Board and regularly report to President Jones.
- ***President Jones asked for a motion to engage Jess Waller as a grant writer for the JLE/Hudson Hub acquisition project.***
- ***Member Haddad so motioned, Member Friedman seconded, and motion unanimously carried.***

#### **JLE/Hudson Hub Building Committee in Formation**

- Member Haddad will Chair this committee. Other members will include Joe Rapp (Contractor), Jan Crawford (Engineer), Chip Bohl (Architect), and another construction expert who is currently repurposing a school in Vermont.
- New member Britt Zuckerman will also join the committee as Landscape Architect.
- Committee will meet early in the new year to tour the JLE building.

#### **CGCC Letter of Support**

- Letter of Support/Intent from CGCC (Columbia Greene Community College) was distributed to members.

- President Jones explained that these letters go a long way to providing financing from institutions and hopes to get more in the new year.

### **New HDC Website**

- Wireframes are being built and password protected beta site will be launched for HDC viewing early in 2024.

### **• Review and Ratify Additional Policy Docs and Revised Bylaws**

- Documents were streamlined for HDC's use (will have Julie Marshall from Harris Beach review), and President Jones asked for motion to approve policy documents as revised.
- Member Barrett spoke about a two-bid process vs. a triple bid policy and recommended that we stick with the two-bid process as written.
- ***Motion made by member Barrett to approve revised policy documents, seconded by member Forman, and unanimously carried.***
- Policies are also now complete for the ABO Audit.

### **• New Business**

#### **Oakdale Plunge**

- Oakdale Plunge needs a fiscal sponsor (501C3 fiscal sponsorship) to help with their annual event.
- A straightforward proposition: HDC brings tax ID to bank, Oakdale Plunge opens a separate account for fiscal business.
- As there were no objections, Member/Treasurer Forman indicated he would move forward and provide fiscal sponsorship help from HDC (501C3).
- HDC members agreed to revisit the topic of a separate financial donation to help "produce" the March 4<sup>th</sup> event.

#### **HDC Business Roundtables**

- "Let's Talk Business" is working title will be hosted by HDC on January 9<sup>th</sup>, with guest speaker Richard Bodkin from Hudson Home.
- February 5<sup>th</sup> is next date and topic will be Hospitality/Tourism speaker.
- President Jones also reached out to NYSTIA Nate Grislov to speak.
- Make a bigger impact if we can reach out in advance with topic and location of Business Roundtable.
- President Jones also discussed the Matching Funds Guidelines for 2024 NYS Department of Economic Tourism (\$3.45 million available), and suggested members familiarize themselves with this to support Hudson Tourism.

**Next HDC Meeting will be Tuesday January 30<sup>th</sup> at noon.**

With no other business to be conducted, and no further public comment, President Jones asked for motion to adjourn meeting. Member Friedman so motioned, member Barrett seconded, and motion to adjourn unanimously carried.

- December meeting adjourned @ 5:21 PM.  
*Respectfully submitted by Jan Egan.*