

**Minutes
Hudson Development Corporation
Tuesday, March 28, 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 March 28, 2023. The meeting was called to order at 12:07 PM by Christine Jones, President.

Name	Title	Status	Arrived/Departed
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)	Excused	
Christine Jones	President	Present	
Kristan Keck	Board Member	Present	
Martha Lane	Board Member	Present	
Seth Rogovoy	Board Member	Present	
Peter Schram	Board Member	Excused	
Misty McGee	Executive Director	Present	
Kristal Heinz	HDC Attorney	Present	
Jan Egan	Scribe	Present	

Minutes of February 28th, 2023:

President Chris Jones asked for a motion to approve the Minutes submitted for February 28th, 2023. Paul Barrett made a motion, seconded by Nick Haddad to approve the Minutes as presented. Carried.

Overview of Regular Board Meeting and Annual Meeting

Executive Director Misty McGee welcomed all to the March 2023 Regular meeting and the Annual meeting.

- The day begins with a Regular Meeting, then a lunch break, then resume with the Annual Meeting.
- Begin Regular Meeting with Accounting Partners UHY who have been working with HDC on year-end audit; they will present the 2022 audit and we will be discussing the 2023 budget as well.
- Photo shoot @ 1:30 of all our Board members.
- Special Presentation at Annual Meeting, highlighting Hudson topics.
- Agenda page will be used as a voting tool to re-instate/nominate Board members.

UHY/Auditor's Report

- Auditor presented 2022 Financial Statements

- Overall, financial statement has changed significantly due to Kaz sale.
- Increase in net assets to over 2.9-million-dollar gain.
- Expenses: no costs allocated to programmatic expenses; everything treated as administrative costs.
- Overall, costs went from \$191,000 in 2021, to \$101,000 in 2022.
- Invested proceeds into investments: majority in MMA, and some bonds.
- A conservative approach: end of 2022 \$2.66 million is in investments.
- Lease will be signed (10-year extension) and can move forward.
- UHY would like to see more specific areas in programmatic areas moving forward.
- At maturation, bond portfolio will be redeemed at original face value (approx. \$2.7 million plus earned interest for that period.)
- What % is outlaid for programming? 10-25% of administrative cost.
- Moving forward fund-raising and administrative should be in 25% range, 75% for programming.
- Paid back CEDC \$200,000.
- Liquidity-wise, we are very liquid.
- Does Board want to establish policies regarding how to spend \$\$\$? As much policy as you can, but still allowing for flexibility.
- Overall, a good, clean report with some minor adjustments.
- Working with UHY team was a huge time and \$ savings.
- Phil Forman thanked UHY for their helpfulness and best practices regarding ABO compliance moving forward.
- Report will be ratified in Annual Meeting after lunch.

Fiscal Sponsorship of the CAC (a Hudson City government entity)

The HDC Board approved a fiscal sponsorship on behalf of the CAC.

(Conservation Advisory Council of the City of Hudson Local Law 110 adopted by the Common Council 5-20-2014.)

As an example of a pilot/first initiative project, Brit Zuckerman spoke with the HDC about a tree planting that will be funded by a \$30,000 grant.

- She described the project:
 - 20 trees total. (Tree forms are available through Future Hudson, CAC, Gossips of Rivertown, and on Hudson city website.)
 - Each location will be tagged, and under-garden plantings selected.
 - Planting will commence end of April and take approx. one week: a blend of native and naturalized trees as well as drought tolerant plantings.
- Rich Volo, CAC Chair agreed to Phil Forman's recommendation that the CAC account be separate from HDC accounts but have the benefits of our fiscal sponsorship.
- Letter of Agreement will be prepared and signed by both parties, and Rich and Phil will meet at Bank of Greene County to open account this week.

Treasurer's Report

Phil Forman presented the March Financial Report, beginning with income statement.

- 2022 YTD number was corrected.
- Forman spoke about risk in the marketplace – our bond portfolio includes 30-40 bonds, and almost 0% concentration in financial services or tech. Not much risk here: P&G, Microsoft, Walmart, Exxon, Novartis, etc.

- As bonds mature, we will pick up another % point on almost all bonds; for a yield closer to 4%.
- Goldman Sachs is a fund not tied to any specific bond, but rather spans the entire economy. Goldman is delivering 4.21% and broker expects it to increase to 5% by July.
- Currently have \$600,000 cash; Treasurer Forman feels that is too much cash. He proposed to take \$500,000 out of cash fund and add to Goldman fund.
- Result would be that we can take 2023 expected return up to \$90,000 (from \$60,000) so considerable upside.
- Martha Lane suggests we could take the \$500,000, divide in two (\$250,000 each) and put into different banks with FDIC guarantee. (nearly 4% return currently).
- Seth Rogovoy asked if it is possible to be more mindful of what/who we invest in when our bonds mature; Treasurer Forman affirmed that it was possible.
- Treasury Committee needs to discuss this issue and present to Board. (Martha Lane and John Friedman and Phil Forman.)
- Approval of March financial report requested by President Jones. (Treasurer Forman recused himself.)
- Paul Barrett made a motion seconded by Paul Colarusso to approve March financial report. Carried.

Executive Director's Report

- March is about to end and have been focused on audit.
- Continuing the wrap-up with ABO/Paris reporting.
- Women's History Month and Executive Director/President attended Chamber Luncheon recognizing Jackie (the undersheriff of Columbia County.)
- Attended first Albany Business Review Women's Summit.
- Met with head economic developer in Albany (close ties with CEDC).
- Went to NYC for an all-day summit with a range of entrepreneurs and non-profits and met other Executive Directors to share best practices and how they work.
- Moving forward we will be pleased that Audit is over and Annual Meeting will be about work/ideas moving forward.
- Continue to learn, meet, and work with community-at-large to forge stronger ties and establish new ways of working to build Hudson community.

With no other business to be conducted, and no public comment, President Jones congratulated and thanked all for a successful audit with a new HDC. President Jones asked for motion to adjourn March meeting. Martha Lane made a motion seconded by Phil Forman to adjourn March meeting. Carried. Regular March meeting adjourned at 1:07 PM.

• Annual Meeting of the HDC called to order @ 1:22 PM

President's Report

This is the 57th HDC Annual Meeting, coming up on our 60th Anniversary. A recap of what has happened in the last year. Last year, HDC finished divesting real estate assets

and did great Pandemic/post-Pandemic work. Chose Babcock Partners as a financial partner which will allow us to keep growing and moving forward. Also notable:

- Hired Misty McGee as a new Executive Director
- Re-introduce HDC to city of Hudson.
Great experience being brought to the table and spent the second half of 2022 listening and learning from community.
- Berkshire/Taconic Foundation and Columbia-Greene “skilling the gap” presentation.
- Jobs, childcare, finances continue to be concerns
- Business Roundtables—learned a lot from business leaders and will continue to do so and expand program.
- Tree initiative
- Wrote Letters of Support for initiatives ie, Montgomery Street project (KAZ) and 752 Warren Street (Crescent Garage).
- Consider strategically about the future of Hudson, come through a financial increase and what our capabilities are. We need to be “good spiriterers” of what is good for Hudson – HDC members willing to lean-in and serve and do what’s best for Hudson.

Audit Approval

Motion made to approve annual audit by Nick Haddad, seconded by Paul Barrett and John Friedman. Carried.

Annual Board Evaluation

Evaluation of Board Members (ABO compliant) will go out over email this week.

Nominating Committee

Written ballots to reinstate all officers: Chris Jones, Nick Haddad, Phil Forman, Paul Barrett.

- All attending members completed a written ballot and handed in all sealed ballots to Kristal Heinz: Ms. Heinz announced all officers re-instated.

2023 HDC Presentation

Executive Director McGee and President Chris Jones led a presentation delineating the opportunities and challenges facing Hudson in 2023.

- Great places to visit, shop and stay.
- People are investing in Hudson: retailers, home buyers, housing, commercial businesses.
- 9 active large commercial/housing projects currently.
- Challenges include population decline, high (school) taxes, limited scale to grow by square footage, lack of shared vision for future, and affordable housing availability.
- What is the mean age of teachers in the Hudson schools? Average daily absence rate is almost 20% of teachers – and they don’t have enough substitutes.
Administrative issues or teacher issues?
- Higher school taxes would be ok if that resulted in better schools. Currently, we are not a magnet for companies/families debating whether to move to Hudson (or the surrounding area.)
- Hudson vs. Beacon, Poughkeepsie, or Albany. Not just taxes, but schools, housing, etc. But a feeling that the issue of Hudson schools can be turned around.

- Hudson Wish List: more employees, job creation, social equity, public schools, public safety, transportation, housing, childcare, truck route, parks, new industry, reducing property that is off tax rolls.
- What work should HDC tackle? Funded, HDC managed, collaborations. There's a much better handle on how to collaborate with others; what if we had a partner to work with? How much more impactful could that be?
- What's the criteria for HDC to prioritize initiatives? Does it fit mission statement? Will it deliver for Hudson? What's scale of idea? Is work too big or too small? Does someone else do it better? What are institutional barriers? Cost to implement and complete? Identify funding sources? How long will it take to complete?
- Funding the right way: grants, private funders, partnerships with other organizations, support from local lenders, our own HDC funds.
- Most pressing issues to consider/focus on in 2023: pick 3 areas for 2023: childcare, job training, safety, creative economy, transportation, business development.

With no other business to be conducted, and no public comment, Phil Forman made a motion seconded by Paul Colarusso to adjourn the HDC Annual Meeting. Carried.

Meeting adjourned at 2:44 PM.

Respectfully submitted by Jan Egan.