

DEVELOPMENT CHENANGO CORPORATION
MEETING MINUTES
October 2, 2019

Present: E. Larsen, M. Stagnaro, T. Stark, D. Shea, L. Wilcox, S. Marshman, J. Telesky, C. Carnrike, M. Branham, B. Acee, C. Olin, T. Potter

Via Phone:

Absent:

Contract Staff: S. Craig, K. Green, A. Larsen

Finance:

Guest:

I. Call to Order

D. Shea called the meeting to order at 8:03 a.m.

II. Minutes

Upon review motion to approve the March 25th Finance Committee minutes, March 27th Board meeting minutes, March 27th annual meeting minutes, March 29th Executive Committee meeting minutes, and June 20th Finance Committee meeting minutes by M. Branham, seconded by L. Wilcox. Ayes all. Approved.

III. Financial Report

J. Telesky reviewed the August 31, 2019 financial statements with the committee. The revolving loan fund balance is up significantly from year-end 2018. In aged receivables, the Artist's Palette remains past due, but has been consistent on current payments. J. Telesky asked S. Craig about the Hercules Properties receivable.

S. Craig said that Hercules Properties has been billed for their interest payments on the bridge loan but have not been received.

J. Telesky said that Sunrise Family Farms is still significantly behind, but was planning on being bought out by a larger company which would help pay off the loan. This hasn't happened yet.

J. Telesky said that we're under budget on revenues largely because the transfer from investments wasn't made.

D. Shea said the Downtown Revitalization Initiative application shows as a marketing overreach.

S. Craig said the DRI funding came out of the leftover America's Best Communities money.

Upon review motion to approve the August 31, 2019 financial statements by C. Olin, seconded by M. Branham. Ayes all. Approved.

IV. Other Business

D. Shea asked for nominations for board secretary.

B. Acee nominates S. Marshman for secretary.

Motion to nominate S. Marshman as Development Chenango Board Secretary by B. Acee, seconded by T. Stark. Ayes all. Approved.

K. Green discussed the economic development report. DCC applied for a young professionals grant through the Community Foundation for South Central New York. K. Green attended a meeting in Bainbridge with the new owners of the Jericho building. They want to rehabilitate the property and are still entertaining different options.

A. Larsen said a meeting on the Greene economic development strategic plan was held the previous week. The Greene Town Board committed a \$10,000 match for the grant. Mark Golden will be holding a meeting where a survey for town residents and stakeholders will be drafted and distributed. This will help steer the plan going forward.

K. Green said that she met with two local farmers who would like to start a new farmers market, food hub, and community kitchen.

D. Shea asked about the UHS fundraising campaign.

E. Larsen discussed the capital campaign. Chenango Memorial Hospital is a vital asset to the county both in terms of health services and pay roll. The current facility has reached a point where it needs to move forward or die. There's a multi-phase plan. This includes a new cardiac wing, emergency room and walk-in clinic move, and lab. The project total is \$20 million, half of which will come from the State and rest to be raised through the capital campaign.

B. Acee asked if a dialysis facility would be part of the upgrade.

M. Stagnaro said that a new dialysis center opened in Norwich recently.

T. Stark asked if donations towards the campaign were to be made on a one-time basis or spread over time.

M. Stagnaro said donors have a choice in how they want donations to be made.

C. Olin said the Finance Committee discussed the capital campaign previously and thought that \$50,000 over five years would be a reasonable donation, considering the impact of the hospital.

D. Shea said DCC has funds, the majority of which came from the sale of the Eaton Center, which have been used for staffing and loans, but which could also be used for this purpose.

M. Branham asked what DCC's total fund balance was.

D. Shea said it is currently \$1.5 million.

M. Branham suggested a donation of \$100,000.

T. Potter said the walk-in clinic addressed a major issue in the county. He's also in favor of \$100,000.

M. Branham said hospital security is also an issue which should be helped by the reconfiguration.

M. Stagnaro said the existing clinic was only designed for one third of the volume they get today. The new facilities would fix this. There was a walk-in clinic ten years ago that was closed partly due to transportation issues. The new walk-in and emergency units will dovetail, easing transportation between the two. There will be a dedicated ambulance entrance.

B. Acee said that rural towns have problems with ambulance services. Non-critical calls can create delays and other issues.

M. Stagnaro said that UHS' Director of Emergency Services sits on the board of an emergency ambulance services organization and is involved in planning on these issues.

T. Stark said asked if there was any fiduciary duty that would make the donation problematic.

D. Shea said that the donation would fall within DCC's mission, as the hospital is both a vital piece of infrastructure and a major economic asset for the county.

Motion to donate \$100,000 to the UHS Chenango Memorial Hospital Capital Campaign by T. Stark, seconded by C. Carnrike. E. Larsen, D. Shea, and M. Stagnaro abstain. Ayes the rest. Approved.

The board discussed whether the donation is to be made in lump sum or in installments.

Motion to modify donation to be made in lump sum by C. Carnrike, seconded by M. Branham. E. Larsen, D. Shea, and M. Stagnaro abstain. Ayes the rest. Approved.

K. Green discussed the Executive Director transition. She is open to meeting with any business owners or stakeholders in the community.

D. Shea welcomed K. Green to the organization.

D. Shea read out Resolution 2013-13, Authorizing Issuance of Executive Director Credit Card. Motion to approve by T. Stark, seconded by M. Branham. Ayes all. Approved.

D. Shea read out resolution 2013-12, Authorizing Signature Authority for Executive Director. Motion to approve by M. Branham, seconded by C. Carnrike. Ayes all. Approved.

D. Shea opened the floor to comment.

M. Branham said that at the previous meeting, where there wasn't a quorum, there was a discussion of altering the loan funds.

D. Shea said there are two funds. The \$1.5 million, and \$500,000 for loans. The board can elect to implement a new program.

S. Craig said that there was also a microenterprise program started around 2011, where the funding came from NYS Homes and Community Renewal. The program still exists but could be re-implemented in another project.

D. Shea said the board has the authority to use these funds differently if they have other ways of creating valuable outcomes. The funds are also used for staffing as well.

C. Olin said the current loan programs are also implemented as gap funding for businesses that typically have loans from another lending institution but are still short of what is needed.

M. Branham said she's spoken with businesses that seem reluctant to apply for or discuss loans with DCC.

S. Marshman said she could help any work on a proposal for a new use of funds.

B. Acee and M. Branham also volunteered to draft a proposal for alternative uses of funds.

B. Acee asked how loan administration is handled.

D. Shea said A. Larsen does the initial application intake and data collection, DCC subcontracts with Tom Gray to underwrite, and there isn't a dedicated attorney to handle legal issues.

B. Acee suggested a regular attorney should be utilized.

D. Shea said it can also take time to put together a loan application package and get it turned around.

B. Acee said it seems as though the process can take about two months.

D. Shea said the Finance Committee meets once a quarter or as-needed.

B. Acee said the turnaround time is too long.

C. Olin said once the finance committee considers an application there's usually a problem or feedback that needs to be addressed in a subsequent application. There's also been a dearth of applicants.

D. Shea said the Board should consider a streamlined process at the next board meeting.

D. Shea said the Board received a resignation from Jason Lasicki. He recommended a replacement from Achieve. The Board should consider possible replacements.

S. Craig said the Board should consider forming an ad hoc committee to confirm current members and nominate new members.

S. Marshman, M. Branham, and B. Acee volunteered to join a nomination committee.

D. Shea said he would like to have an attorney on the board.

V. Adjournment

With no further business motion to adjourn made by C. Carnrike, seconded by C. Olin. Ayes all. Meeting adjourned at 8:59 a.m.