

**DEVELOPMENT CHENANGO CORPORATION**  
**MEETING MINUTES**  
**December 18, 2019**

**Present:** E. Larsen, D. Shea, J. Telesky, M. Branham, C. Olin, P. Lopresti, B. Acee, K. Smith, P. Dewey

**Via Phone:**

**Absent:**

**Contract Staff:** K. Green, A. Larsen

**Finance:** S. Cwynar

**Guest:**

**I. Call to Order**

D. Shea called the meeting to order at 8:04 a.m.

**II. Minutes**

Upon review motion to approve the September 19, 2019 DCC Finance Committee meeting minutes made by B. Acee, seconded by M. Branham. Ayes all. Approved.

Upon review motion to approve the October 2, 2019 DCC board meeting minutes by B. Acee, seconded by M. Branham. Ayes all. Approved.

**III. Financial Report**

S. Cwynar reviewed the November 30, 2019 financial statements. Current total assets are \$458,000. Loans receivable are \$551,000. Total long term investments are \$2,000,000. Loans payable is \$176,000. Total capital \$3,400,000. BALF loans are at \$362,000. Allowance for bad debt is \$23,000, \$4,000 of which will be expensed out at end of year.

In the statement of activities total revenues year-to-date are \$308,000 compared to a budget of \$257,000. Direct costs are \$122,000 - also better than budget. Year-to-date net income is \$87,000, mostly from investment activity. \$12,000 is from net loan funds, and there was a slight loss from operations of \$3,000.

There are aged receivables for the Artists' Palette which has been deferred. It will be paid over next couple of months.

D. Shea said they've been making payments to reduce debt.

K. Green said that Hercules Properties' non-payment of interest was an oversight. DCC can set up a monthly ACH after the holiday. Sunrise family farms also contacted DCC and plans to set up a meeting early in January.

M. Branham asked if the company had been bought.

K. Green said he didn't say anything about it.

Upon review motion to approve the November 30, 2019 financial statements by C. Olin, seconded by M. Branham. Ayes all. Approved.

**IV. New Business**

K. Green gave an overview of economic development report. She met with Tom Gray yesterday about loan underwriting for DCC. The IDA approved a PILOT application for Puckett Solar in Greene. Norwich Meadows continues to move forward with their plans at the airport. They plan to lease the IDA's building. The project was approved by the Board of Supervisors.

K. Green said we received bids for the annual audit. A joint finance committee should open the bids since they likely contain bids on DCC, Commerce, and IDA.

K. Green introduced the 2020 budget.

J. Telesky said the budget for 2020 seems to be improved from past years. There aren't any radical changes to highlight.

K. Green said that Commerce Chenango is hiring another position that will be involved in membership, economic development, and other events.

D. Shea said the finance committee approved the budget for submission to the Authorities Budget Office, but the board needs to approve it as well.

Motion to approve the Development Chenango Corporation 2020 budget by M. Branham, seconded by E. Larsen. Ayes all. Approved.

K. Green discussed loan application streamlining. DCC is exploring different loan application forms for different types of projects in order to reduce barriers. A committee meeting was held to explore other initiatives DCC could pursue. An entrepreneurial hub is the foremost idea. An annual or bi-annual contest to award funding was also discussed.

M. Branham suggested developing another forum for people to meet professionally, besides Business After Hours, that isn't as intimidating. One-on-one workshopping or other smaller events for people to share ideas.

D. Shea said DCC has \$2 million in liquid assets. We have the ability to utilize those funds for initiatives besides loan programs. At the last meeting a committee was formed to explore opportunities. It's not untouchable money and as long as it aligns with our mission we can use it for new appropriate economic development programs. There was also discussion of streamlining the loan application process. It's too difficult for smaller applicants. Our mission is not to make money but to support small businesses.

K. Green said T. Gray would be willing to assist with that. The subcommittee will meet again at the end of January.

D. Shea introduced the board nomination items.

K. Green the nomination committee wasn't able to meet this week but if anyone has any ideas for nominations to please send them to her. There are 3 classes of directors – A, B, and C. According to DCC's bylaws a class B Director can only serve one full term as class B. Class C can be re-appointed indefinitely, but there is some question as to whether they can then return to Class B? DCC will have 5 class B Directors in 2020 but can only have 4 according to the bylaws. Can Directors be moved to class C and then back to B?

D. Shea said when the bylaws were changed in 2014 the class A Directors were required for the opportunity zone, which is essentially now defunct. There were also requirements for other entities that required the class B and C Directors. We've gone from B to C and back to B in the past.

K. Green said we will have to research further and collect suggestions from other organizations.

K. Green said M. Branham should be moved to Class C Director to align with bylaws.

D. Shea read out resolution 2019-15.

Motion to approve Resolution 2019-15 by J. Telesky, seconded by B. Acee. M. Branham abstains. Ayes the rest. Approved.

K. Green said she added Resolution 2019-16 to set 2020 meeting dates.

D. Shea read out resolution 2019-16.

Motion to accept Resolution 2019-16 by B. Acee, seconded by M. Branham. Ayes all. Approved.

K. Green said there was discussion of moving 8:00 a.m. meetings to 8:15 to accommodate parents. The board agrees to move meetings to 8:15.

D. Shea discussed the Downtown Revitalization Initiative application. We submitted an application last year that was well received but not particularly highly scored. There are things that could be significantly improved. On a resubmittal there's an opportunity to expand on those things we want to keep and cut the things that didn't work. Socialization needs to be part of the process to win the community over to the idea. Commerce Chenango thought that DCC would be a good driver for the initiative, or they could participate on a committee.

K. Green said she did some research. The DRI funding from the State hasn't been 100% approved but she's keeping eye on it. She met with Omar at Empire State Development and he said it was missing a coherent vision. We need to decide where we're planting our flag. There wasn't a connection between the ideas. The State of the State address will be early around mid-January. That's when we need to get our committee moving, based on what that vision is.

K. Green said we should wait for the address and start building on that. If we wanted to do a museum district project we would need a very specific plan from the museum owners to be part of application.

D. Shea said that's part of the socialization. We need to drive home the importance of the DRI to those involved so there's buy-in.

B. Acee asked if all involved parties have to submit their own application.

D. Shea said they will have to participate actively. We don't want funds awarded to people who then don't want to do the work.

E. Larsen said the application can't be based on specific projects -- the projects support the vision. We don't want to get into the weeds on specific projects with the application. Once funds are awarded though, we need to collaborate closely with projects on forming their applications for the specific use of grant funds. Then REDEC and the State (Governor) pick winners from amongst those applications. Once you're picked a group is formed amongst the awardees, which are picked by the Governor. The Chair of this group consists of government official such as Mayor of Norwich, and co-chaired by someone the Mayor appoints. The other co-chair is someone from REDEC. They pick awardees and a consultant from the state helps you craft your plan. Not meeting with the Governor's plan will kill the application. Multiple public hearings are held after the award. Each project then has to apply to a pool of money. The state then helps leverage with funding from other entities like DEC, etc. It's a difficult process and it's important to make people aware of the work involved.

D. Shea said the board doesn't necessarily have to drive it but should probably have board members form the core of a steering committee.

C. Olin said he is concerned about difficulty with socialization as demonstrated by Oneonta's example.

D. Shea said it has to be built up over the course of the project.

C. Olin asked if any stakeholder can shut the whole thing down after all this work is done, i.e. if a homeowner is impacted in some way and opts out.

E. Larsen said that aspect has improved since original DRI's. Projects should fit into a theme. In the initial application you don't want specific buildings or people because that way they can't later opt out. So you can later conform with your vision and be flexible about who specifically it involves. Oneonta's problem was that this was not the case then and people then backed out.

K. Green said we need broad representation on the committee because it's also their job to share the vision and spread the message.

D. Shea said sub-committees will also be key to do day-to-day work.

M. Branham asked if we've ever won funding on this.

E. Larsen said there's only been four rounds and we applied once.

M. Branham asked if we recommend that this is worth our time.

E. Larsen said it's hard not to put your hand out for money. \$9.7 million in state investment, and matching funds requirements mean it will probably total \$20 million in investments, which is an opportunity you don't get elsewhere.

B. Acee said there must be lessons to learn from other winners. He asked if we should hire a consultant that has worked on DRI before. Would it be worth putting money towards that?

E. Larsen said the State makes you hire someone. But we were received relatively well, and the first application never wins. We're well aligned in several ways, giving us decent odds. Our chances will improve every year if we continue consistently applying and improving applications. Steve Craig should help because he can put together a great presentation.

P. Lopresti said if we lean into the State of the State initiatives as well, to Kerri's point, that would also improve our chances.

D. Shea asked if we'd be willing to earmark funding to put towards this between now and next meeting in March. He suggested \$5,000.

Motion to form a steering committee out of DCC by P. Dewey, seconded by M. Branham. Ayes all. Approved.

P. Dewey said we need to invest to bring money in, and looking at the return on investment, and given that we have responsible people to oversee it, we should not be too sparing.

D. Shea said we could also form an executive committee to decide these matters, or could hold special board meeting.

B. Acee suggested \$15,000 to be invested as a short term measure.

Motion to allocate \$15,000 towards DRI application at discretion of executive committee by B. Acee, seconded by M. Branham. Ayes all. Approved.

## **V. Adjournment**

With no further business motion to adjourn made by C. Olin, seconded by M. Branham. Ayes all. Meeting adjourned at 9:06 a.m.