

Economic Development Committee (EDC)
MINUTES
Tuesday, August, 2016

Committee Members Present: Martin Donnelly, James Eisel; Tina Mole; Michael Triolo; Richard Parete; Jim Bogner, Innes Kasanof, Thomas Snow, Jr and Alan Rosa

Committee Member(s) or Staff Absent: Ursula Basch

Committee Member(s) Calling In:

Staff Present: Barbara Puglisi; Timothy Cox; Jason Merwin, Phil Sireci

Guest(s) Present:

The meeting was called to order at 10:35 a.m.

Minutes from the EDC meeting of July 5, 2016 were moved and passed without comment; *all in favor.*

NEW BUSINESS

Loan Update

Barbara presented an update of loan activity, which showed the following:

CFF Loan Activity through 5/31/2016 indicated there is \$5,921,233 committed so far of the \$10,000,000 budget for 2016. There is nothing in process.

Regarding the Hospital Health-Care Fund, staff indicated a current balance of \$4,167,785 from our original balance of \$5,000,000, with no loans in process.

The Colchester Flood-Repair Program showed a loan balance of \$0 with the full \$2,500,000 remaining in the budget. Barbara told the committee this has been entirely paid off. Tom asked if this \$2.5 million is its own separate fund. Jim Martin said the funds are not a separate account.

The Municipal Sewer Flood Business Retention Program, has \$154,137 committed with a balance of \$95,863 left in the budget.

Barbara presented a chart showing CWC's collateral position of defaulted and delinquent loans as of 7/19/16. She indicated the Default and Delinquent rate is currently at 9%. Tom noted that the number is going down. Barbara said that there were a couple pay offs and some of the other loans are continuing to make payments.

Barbara presented a chart showing a breakdown of CWC Loans that have been "written-off" as of 7/2/16. The total dollar amount of the write-offs is \$2,363,495.58. The chart showed that 62.45% of the total amount written off were loans located in Delaware County. Additionally, 32.44% of the write

offs occurred in Ulster County and the remaining 5.11% were located in Sullivan County. There have been no write offs in Greene or Schoharie County.

Barbara presented an updated CFF County Fund Allocation chart showing where and how the CFF has been spent. The chart included how much each county has left to spend.

Adopted Floodplain Maps – Flood Insurance

Barbara explained to the committee that the communities recently adopted new flood maps and we need to determine whether CWC is going to require current clients to purchase flood insurance based on the new maps. She provided the committee with the maps of current clients that may need insurance. She asked the committee to review the maps and help determine if she should have the clients contact their insurance carriers to determine if they are in the floodplain and will require insurance.

The committee went through the maps and determined the following borrowers need to contact their insurance companies to get a flood determination:

1. Reed and Stewart Properties LLC
2. Hoffman A-Z, LLC
3. Liberty Rock Books LLC
4. HiFi Realty Corp
5. The Caelan Allen Corporation (Current level of insurance is acceptable but need CWC listed on policy)
6. Peter DiSclafani and Rose-Marie Dorn
7. Drew and Natasha Shuster
8. Brie and Bordeaux, Inc.

Other

A. Delaware Inn

Barbara told the committee that she has been contacted again by Florida Santana Johnas regarding the possibility of leasing the Inn with an option to buy. Mrs. Johnas is looking to possibly use the building as an assisted living facility for the elderly or perhaps for individuals who are over the age limit to stay at facilities such as Spring Brook. Either option would be structured to be a private pay facility and would be high end and geared towards mostly wealthier families/individuals. Mrs. Johnas is also working with Delaware County in an attempt to get grant money for the project.

Innes said that it sounds like it could be a good idea.

Jim said that he thinks assisted living facility already in Stamford is only at 65% full and is in the process of being sold because they couldn't make it. Mike added that they received \$9,000,000.00 in grants and they are still struggling.

Jim said that it would be nice to find an inventory of these types of facilities and reach out to administrators to see if there was any interest in the building.

Tina said she is not in favor of the request.

Alan said that he thinks there could be some issues with the request and is concerned that if CWC is a landlord, we will continue to be to be burdened by every little issue that arises with the building during the term of the lease.

Mike said that there is no money going into the project. They are asking us for the additional funds.

Innes told the committee that she didn't realize that the current facility was only at 65% and struggling. Based on that she does not think it is the best idea.

Barbara also told the committee that she did a walk-through of the building with a realtor who may be interested in doing an exclusive. She said she is waiting to hear back from her.

Alan brought up that the building is so expensive that even when we had an exclusive there was little interest in the property. He compared it to the Rexmere which was sold at a much lower price.

Marty asked the committee how they felt about both requests. The committee decided not to move forward with Mrs. Johnas' request.

Tina made a motion, Seconded by Jim to approve doing an exclusive listing on the Delaware Inn. All in favor.

There being no other business the meeting was adjourned at 11:30