

MINUTES

32nd ANNUAL MEETING OF THE DUTCHESS COUNTY ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS

Thursday, January 28, 2010, 7:45 a.m.
Dutchess County Economic Development Corporation
3 Neptune Road
Poughkeepsie, NY 12601

Present: M. Arnoff, P. Calogerakis, C. Caridi, R. Chazen, D. Conklin, T. Dean, A. DeDominicis, E. Eismeier, M. Graham, R. Grems, K. Hansen, J. Lepore, J. MacEnroe, M. McCormack, T. McQuade, W. Nussbickel, C. O'Mara, J. Page, D. Ping, A. Reynolds, R. Rolison, K. Salomon, K. Schibanoff, B. Seaman Brown, W. Steinhaus, L. Weigert

Absent: R. Akeley, J. Bonura, Jr., A. Campagiorni, C. Daniels, J. DeMarco, K. Durham, S. Evans, R. Higgins, M. Kastner, E. Kellogg, M. Madden, D. McGrath, B. Morgan, B. Rothfeld, R. Savage, M. Tomkovitch, D. VanBuren, J. Van Tuyl

Also

Present: C. Wolf (Poughkeepsie Journal), T. Massie (Marist College), W. Lavery, (Houlihan/Lawrence-Lavery Real Estate), Staff – P. Balga, J. Haylett, L. Higginson, D. Hopper, T. Kelly, F. Lauricella, N. Lutz, C. Maloney, S. Obermaier, M. Vrba

Welcome and Opening Remarks – Wayne L. Nussbickel, Chair

The 32nd Annual Meeting of the Dutchess County Economic Development Corporation was called to order by Wayne L. Nussbickel, Chair, at 8:07 a.m. This meeting was held at Marist College.

Welcome to Marist College – Timmian Massie

Wayne introduced Timmian Massie, Marist College's Chief Public Affairs Officer, who then welcomed the EDC Board of Directors, staff and guests to Marist College. Tim spoke about the new development on campus and in Ulster County.

Approval of Minutes – Wayne L. Nussbickel, Chair

A motion to approve the minutes as presented from the 31st Annual Meeting of the DCEDC Board of Directors held on January 29, 2009 was made by Karen Hansen, duly seconded by Betsy Seaman Brown, and unanimously accepted.

A motion to approve the minutes as presented from the October 29, 2009 Quarterly Board meeting was made by Mike Graham, dully seconded by Paul Calogerakis, and unanimously accepted.

Financial Report – Michael H. Graham., Treasurer

Mike presented the year-end financial report. A motion to accept the financial report as presented was made by Mike Arnoff, duly seconded by Bill Steinhaus, and unanimously accepted.

Nominating Committee – Wayne L. Nussbickel, Chair

Mr. Nussbickel presented Hudson Beach Glass mementos in recognition of service to the DCEDC Board of Directors to the following outgoing members: Roger Akeley, Richard Chazen, Timothy E. Dean, Arthur DeDominicis, Diana Gurieva, Roger Higgins, Jennifer Van Tuyl, Denise Doring VanBuren, and Lillian Weigert.

Mr. MacEnroe acknowledged Wayne L. Nussbickel as outgoing DCEDC Board Chair for 2008 and 2009.

The following individual was recommended for re-appointment to serve an additional three-year term of office:

Class of 2013
Charles A. O'Mara

The following individuals were recommended for appointment to serve one three-year term of office:

Class of 2013
Christy Huebner Caridi
Mark Kastner
Joe Lepore
Jason Page
David Ping
Andrea Reynolds

The following individual was recommended for nomination to serve the following term of office:

Class of 2011
Anthony Campagiorni (replacing Denise Doring VanBuren)

The following individuals are Ex-Officio members:

Kealy Salomon, Commissioner of Dutchess County Planning and Development
John MacEnroe, DCEDC President and CEO
Edward A. Kellogg, External Marketing Council Representative
Dr. D. David Conklin, Zone Administrative Board Representative
Michael T. J. McCormack, Dutchess County Workforce Investment Board Representative
Robert G. Rolison, Dutchess County Legislature Representative
William R. Steinhaus, Dutchess County Executive
Michael J. Tomkovitch, Dutchess County Industrial Development Agency Representative

Mr. Nussbickel presented the following Slate of Officers for approval:

Chair:	Paul P. Calogerakis
First Vice Chair:	Thomas McQuade
Second Vice Chair:	Steven Evans
Treasurer:	Michael H. Graham
Assistant Treasurer:	Charles A. O'Mara
Secretary:	Elizabeth A. S. Eismeier
President and CEO	John MacEnroe
Immediate Past Chair:	Wayne L. Nussbickel

A motion to accept and approve the new appointments, ex-officio members, officers and the nominating report as presented was made by Betsy Seaman Brown, duly seconded by Robert Grems, and unanimously

accepted.

Wayne acknowledged the DCEDC Nominating Committee members: Paul P. Calogerakis, Elizabeth A. S. Eismeier, Michael H. Graham, John MacEnroe, Thomas McQuade, Charles A. O'Mara, Barry Rothfeld, Denise Doring VanBuren and Lillian S. Weigert for their work on the committee and dedication to DCEDC.

Adjournment of Annual Meeting – Wayne L. Nussbickel, DCEDC Chair

A motion to adjourn the 32nd Annual Meeting of the DCEDC Board of Directors was made by Lillian Weigert, duly seconded by Charlie O'Mara, and unanimously accepted.

First Quarterly Meeting – 2010 – Paul P. Calogerakis, DCEDC Chair

The first quarterly meeting of 2010 of the Dutchess County Economic Development Corporation was called to order by newly elected DCEDC Board Chair, Paul Calogerakis. Paul thanked the Board for their nomination and stated he is looking forward to his new assignment and welcomed the new Board members as well.

Paul turned the meeting over to John MacEnroe to deliver the 2009 Annual President's Report to the DCEDC Board of Directors.

President's Report – John MacEnroe, President and CEO

Before beginning his President's Report, John presented two resolutions:

Resolution 1:

Be it resolved that the Dutchess County Economic Development Corporation Board of Directors hereby authorizes Dutchess County Tourism to apply for a Heritage Development Grant, in the amount of \$5,000 from the Hudson River Valley National Heritage Area to support the Experiential Tours program. The grant request is to create a promotional brochure and thumb drives. The project is appropriate to Dutchess County Tourism's mission and scope of activity.

A motion to approve the above stated resolution as presented was made by Karen Hansen, duly seconded by Kathy Schibanoff, and unanimously accepted.

Resolution 2:

Be it resolved that the Dutchess County Economic Development Corporation Board of Directors hereby authorizes Dutchess County Tourism to apply for a Rural Business Enterprise Grant in the amount of \$35,000 from the USDA to support the Farm Fresh agri-tourism program. The farm fresh one-day getaway program will take place from August to October 2010 if our transportation funding is granted. The project is appropriate to Dutchess County Tourism's mission and scope of activity.

A motion to approve the above stated resolution as presented was made by Mike Graham, duly seconded by Kathy Schibanoff, and unanimously accepted.

The DCEDC 2009 Annual Report to the Board of Directors was previously distributed.

John commented on the following:

- Dutchess County internal audit response
- Four big wins for 2009:
 - Walkway Over the Hudson
 - The Quadricentennial
 - SpectraWatt
 - Associated Aircraft Group

- The loss of approximately 600 jobs at NXP
- New prospects:
 - MetroKing
 - Mechtronics
 - Vassar Brothers project
 - Project Little Boy
- EDC focus is on jobs
- Exploring analysis of perception of Dutchess County

Committee Reports – (Fourth Quarter 2009)

Governance Committee – Wayne L. Nussbickel, Chair

Wayne thanked everyone for their support during his tenure as Board Chair. He especially acknowledged the Dutchess County Executive, Bill Steinhaus and the entire Dutchess County Legislature.

Wayne noted the newly appointed Chair of the Tourism Committee is Steven Evans.

He further went on to discuss the newly reconfigured EDC budget noting the staff position of Director of Marketing and Business Development Assistant would not be backfilled and that the Director of Technology position had been eliminated.

Economic Community Affairs – Betsy Seaman Brown for Barry Rothfeld, Chair

Betsy commented on:

- The committee has been working on location and speaker venues for 2010 Board meetings
- The 2010 EDC Breakfast and the 2010 Business Excellence Awards need sponsors
- Eastern Dutchess County desperately needs jobs

Operational Oversight – Michael H. Graham, Chair

Mike reported the committee reviewed the internal Dutchess County audit and only a few minor issues were found.

Business Services – Paul P. Calogerakis/Thomas McQuade, Chair

Tom McQuade reported on the following:

- The committee is refocusing its mission and will concentrate on what businesses need.
- The committee will also work on the angel fund, green programs, and sales and marketing assistance.

Tourism – John MacEnroe for Denise Doring VanBuren, Chair

There was no report; report to be contained in the special panel discussion which followed.

Special Remarks – William R. Steinhaus, Dutchess County Executive

Dutchess County Executive Steinhaus thanked all the retiring members of the Board for their support. He thanked Wayne Nussbickel for his chairmanship and leadership and welcomed Paul Calogerakis as newly appointed Board Chair. Bill also welcomed Robert Rolison as the newly elected Chair of the Dutchess County Legislature. He noted he will miss the talents of Roger Akeley, retiring Commissioner of

Dutchess County Planning. He then welcomed Kealy Salomon as acting Commissioner of Dutchess County Planning.

Bill remarked on the following insights:

- He is visiting community businesses and organizations; most recent visit to the Gap, Inc.
- A great amount of time was spent, along with EDC and IBM, recruiting SpectraWatt. This was a very exciting and gratifying experience which created many offsite contracts for other Dutchess County businesses.
- IDA Trade Show Grants; he will be presenting check to Taylor Manufacturing and Harney Teas in the next couple of weeks.
- He will be presenting the annual State of the County address on Wednesday, February 3, 2010.
- He will participate in the Pattern for Progress event at the end of the month along with others in the Hudson Valley.

County Executive Steinhaus made a special tribute to Mary Kay Vrba for her work on the Quadricentennial, her work with the County Executive's office, and the community at large in this regard.

Paul thanked Bill for his valued support and leadership.

Special Presentation

A panel discussion on "The Economic Outlook for 2010" was led by William J. Lavery, Jr. of Houlihan/Lawrence-Lavery Real Estate. Other participants were new Board member, Christy Huebner Caridi and Dutchess County Tourism Director, Mary Kay Vrba. Highlights of the panel discussion follow:

Christy Huebner Caridi

- Regarding regional growth, we are now starting to move back into the "new normal"
- Housing sector – more savings, less buying consumption
- Will continue to see bankruptcies
- Small businesses dependent on community banks
- Losing basic industry
- Primary source of income coming from outside sources
- Nationally – long term job losses—people becoming marginally employed
- Labor force in Dutchess County is larger than available jobs within the region
- National trend – firms growing through consolidation rather than innovation
- Nationally 58% of those who lost jobs during recession will not get those jobs back

Mary Kay Vrba

- Tourism is economic development and jobs
- More than 4.1 million visitors in 2007
- In 2009 Dutchess County collected 4% bed tax (\$1.8 million), down 10% -- but, this is good compared to other counties
- Tourism generated \$31 million in local sales tax in 2008; tourists spent \$490 million
- Motor coach business sustains tourism business
- Tourism continues to be big business in Dutchess County
- Tourism review: 30% of Americans will fly less frequently
- New York City had 45 million visitors last year; would like to get them up to Dutchess County
- Farm Fresh tours – MTA connection program
- Local hotels are very optimistic for 2010
- Wedding bookings up; leisure travel looks good; business travel up
- Good attendance at local attractions as long as weather is good
- In 2010, DCT is focusing on the New York City market; need the agency to tell the Dutchess County story; using the Travel Guide as a new revenue source; Calendar of Events now online;

- Tourism conference in April with the Dutchess County Arts Council.
- New York State funding continues to be an issue
- New issue facing DCT: Federal government may take occupancy tax rather than it going to local government for online reservations.
- Possibly Hudson Valley as national park region
- Mary Kay thanked the DCT staff for their continued work

Bill Lavery

- The 2009 real estate numbers resemble those of 2001
- Downward change started in June of 2005
- Currently more sellers than buyers
- Foreclosures and short fall sales
- Large burden on real estate companies
- Need jobs to sustain real estate market
- Solution = creation of jobs

Closing Remarks

Newly elected DCEDC Board Chair, Paul P. Calogerakis, thanked the panel for their presentation and Marist College for welcoming us and allowing us to hold our 32nd Annual meeting at their prestigious institution.

Adjournment

A motion to adjourn the First Quarterly Meeting for 2010 of the DCEDC Board of Directors was made by Charlie O'Mara, duly seconded by Lillian Weigert, and unanimously accepted.

The meeting was adjourned at 9:40 a.m.

Next Annual Meeting

The date and location for the 33rd Annual Meeting will be determined at a later time.