

**MINUTES OF THE SPECIAL MEETING OF
THE TOWN BOARD OF THE TOWN OF NEW LEBANON
HELD ON NOVEMBER 28, 2022**

Present: Tistrya Houghtling, Supervisor
Marianna Anthonisen, Councilmember (3:16pm)
Britt Buckenroth, Councilmember
Deborah Gordon, Councilmember
John Trainor, Councilmember (Online)

Recording Secretary: Marsha “Marcie” Robertson, Town Clerk

Others Present: None

CALL TO ORDER:

The Special Meeting was called to order at 3:02pm by Supervisor Houghtling.

Supervisor Houghtling shared that we have a tremendous loss to the town and our community. Doug Banker, Deputy Town Supervisor passed away yesterday. She wanted to take a moment to acknowledge him and the wonderful human that he is. A moment of silence was held in honor of Doug and for his family.

EXECUTIVE SESSION:

A motion was made by Supervisor Houghtling to enter into an executive session at 3:07pm to discuss the medical, financial, credit or employment history of a particular person/corp. or matters leading to said dismissal, removal, promotion, appointment, employment, discipline, demotion, or suspension. The motion was seconded by Councilmember Gordon.

Roll Call Vote:

Councilmember Buckenroth -	Aye
Councilmember Gordon -	Aye
Supervisor Houghtling -	Aye
Councilmember Trainor -	Online no vote
Councilmember Anthonisen -	Absent

Councilmember Anthonisen arrived at 3:16pm and went into Executive Session.

Councilmember Trainor left the meeting at 4:21pm.

A motion was made by Supervisor Houghtling to exit Executive Session at 4:22pm. The motion was seconded by Councilmember Buckenroth.

Roll Call Vote:

Councilmember Buckenroth -	Aye
Councilmember Gordon -	Aye
Supervisor Houghtling -	Aye
Councilmember Trainor -	Absent
Councilmember Anthonisen -	Aye

ARPA GRANT APPLICATIONS FOR LOCAL BUSINESSES:

Supervisor Houghtling gave a brief summary, stating that the board received ten applications, five of those applications did not include the required tax documentation.

A motion was made by Supervisor Houghtling, seconded by Councilmember Buckenroth and approved unanimously with the exception of Councilmember Trainor who is absent to send a letter from the Town these five applicants, letting them know that without the tax information their application cannot be considered and giving them until December 12th, 2022 to submit the tax information or an explanation of why they cannot submit it.

Supervisor Houghtling stated that they have five remaining applications that did submit the required tax documentation. She stated that of those five, four can be considered because they showed a 25% loss in net income. One application cannot be considered because it does not show a 25% loss in net, it actually showed a 33% gain between their 2019 tax documents and their 2020 tax documents.

A motion was made by Supervisor Houghtling, seconded by Councilmember Gordon and approved unanimously with the exception of Councilmember Trainor who is absent to send that applicant a letter that their application cannot be considered because they did not show a 25% loss in net revenues and that if we do a round two of funding, we will reach back out to them.

Supervisor Houghtling stated that we have four applications that they are considering. In an executive session, the Town Board went over the applications and financials for the applicants.

APPLICANT 1 REVIEW:

Supervisor Houghtling stated the first application scored a 5 on the scale of 1 to 5, the negative changes in the business income, they had more than a 46% loss. The board discussed how likely is it that the funds will meet the need of the business owner. She stated that this business has been in business for 26 years but was closed April, May and

June of 2020 due to COVID. They could not operate the business as usual or collect rents from the booth renters which made it impossible to pay the monthly rent. When the business reopened, they had more expenses to buy required COVID sanitation products, air purifiers which also raised their utilities, and meet new laundry and cleaning mandates which required needed extra energy. Supervisor Houghtling stated that the business owner considered selling the business which has not been successful. They are trying to make what they have work and the ARPA funds would be of great assistance. The ARPA funds will help the business owner keep the business open, in New Lebanon, and keep the jobs for their sub-contractors who rent space. The business plans to use ARPA grant funds to pay back rent, bills and to upgrade the interior of the building for a total of \$20,000.

Supervisor Houghtling stated that the board called the business owner in executive session to address a concern of the board that if they grant \$20,000 to this business and then they do sell it, that money didn't actually go to sustaining the business but maybe increasing the value of what the business could sell for, which would then benefit a person's pocket as opposed to sustainability of the business. She stated that the letter they submitted sounded like they had the intention to stay in business and hopefully thrive for the next 5 to 10 years. The board asked if the business owner was willing to take the business and building off the market if they were awarded the ARPA grant funds, the business owner was very clear that they are not willing to take it off of the market and that they are still actively trying to sell, even if they were awarded the funds.

Supervisor Houghtling went over the application and the Town Board discussed how the funds will meet the needs of the business owner in detail based on the written application that was submitted by the business owner. The board agreed that the money would meet all the needs outlined in the application, giving them a score of 10.

Supervisor Houghtling discussed the sustainability of the funding. This is an area of concern; the goal is to keep them in business. The board requested that the business doesn't sell for one year and that is not a possibility. They all agreed that the intention of this funding is to sustain businesses and this business owner has made it very clear that the intent is to sell the building. The board agreed that it is a 50/50 chance of the business staying or being sold. The business lost 50% because of uncertainty if the business will sell or not, losing 10 points. On a 1 to 10 scale they got 5 out of 5 for upgrades and 3 out of 5 for paying back bills for a score of 8. The Town Board gave 100% for upgrades and 60% for debt. Total overall score of 28.

A motion was made by Supervisor Houghtling, seconded by Councilmember Buckenroth and approved unanimously with the exception of Councilmember Trainor who is absent to send a letter to this applicant summarizing their score, letting them know that they did not hit the eligibility for round one funding but that if we go into a round two funding, we will be in touch with them. **(SEE AMENDED MOTION BELOW)**

APPLICANT 2 REVIEW:

Supervisor Houghtling stated that the next application scored a 2 on the first question. The business suffered between a 31% and 35% loss of income. The second question, funds meeting the business's needs, the business incurred high credit card debt due to COVID and loss of income and they would like to build up their inventory of stock samples. As for how likely the funds will meet the business owners need, the board did talk to the applicant and of the \$4,000 they requested, \$3,500 is for the credit card debt and \$500 is for the stock. The funding that is requested hits both of the needs scoring a 10 out of 10.

The board discussed the sustainability of the funding and broke down the funding request with 13% going to stock and 87% going to debt. The Town Board gave 100% for upgrades and 60% for debt. Out of 20 possible points the applicant scored a 13 out of 20. They have no letters of support. The applicants total score was 25. Supervisor Houghtling stated that if the business had five letters of support they would have been eligible.

A motion was made by Supervisor Houghtling, seconded by Councilmember Gordon and approved unanimously with the exception of Councilmember Trainor who is absent to send a letter to this applicant summarizing their score and letting them know that they are not eligible for funding and if there is a round two, the town will reach out to them. **(SEE AMENDED MOTION BELOW)**

APPLICANT 3 REVIEW:

Supervisor Houghtling stated that the next applicant scored a 5 on the negative changes in business income. The needs of the business identified are an old inefficient heating system that needs upgrading and staffing issues. The business owner stated that they couldn't complete the heating update because COVID hit. The funding that is being asked for is \$16,000 and it is to replace the heating system. The business addresses the first need but not the second need regarding staffing which would score a 5 out of 10 as it only addresses one need out of two needs stated.

The board discussed the sustainability of the funding requested and how it is to be used. The Town Board gave 100% for upgrades, however only one need was addressed with the funding losing them half of the points. They scored a 10 out of 20 because the business didn't address the staffing issues which speaks more to sustainability than the heating system update. This applicant submitted one letter of support, making their final score 21 and not eligible for funding.

A motion was made by Supervisor Houghtling, seconded by Councilmember Gordon and approved unanimously with the exception of Councilmember Trainor who is absent to send a letter to the applicant summarizing their score and letting them know how they might strengthen their application to qualify for funding and that they need all updated documents submitted by December 12th, 2022.

AMENDED MOTION for APPLICANTS 1 & 2:

A motion was made by Supervisor Houghtling, seconded by Councilmember Gordon and approved unanimously with the exception of Councilmember Trainor who is absent to amend the motions on the first two applicants to match the motion that was just made on the third applicant. “To send a letter to the applicant summarizing their score and letting them know how they might strengthen their application to qualify for funding and that they need all updated documents submitted by December 12th, 2022.”

APPLICANT 4 REVIEW:

Supervisor Houghtling stated that the last applicant scored a 5 on question one. The business owner stated that the interest in their product has declined due to the pandemic. The business owners’ needs are to increase interest in a product, update programs and advertise more. The funding requested will meet all three needs, scoring a 10.

The board discussed the sustainability of the funding requested and how it is to be used. The board agreed that everything that the business owner asked for has sustainability. Infrastructure upgrades scored at 100%, technology, program and advertising upgrades scored at 100%. This business submitted more than five letters of support. Final score 40 out of 40 and is eligible for round one funding.

Supervisor Houghtling stated that at this point they are going on the record with this applicant because everything is public where the funding is going.

A motion was made by Supervisor Houghtling to approve the application from Meissner’s Auction House in the amount of \$20,000, with a request to the applicant to submit a budget framework by December 12th and to submit receipts of all money spent within 60 days of the expenditure. The motion was seconded by Councilmember Gordon.

Roll Call Vote:

Councilmember Buckenroth -	Aye
Councilmember Gordon -	Aye
Supervisor Houghtling -	Aye
Councilmember Trainor -	Absent
Councilmember Anthonisen-	Aye

Supervisor Houghtling stated she will prepare a voucher for the \$20,000 payable to Meissner’s Auction House for the December 13th, 2022 meeting to be approved, as long as the business owner provides the requested documents.

SCHEDULE EMERGENCY MEETING - LITIGATION:

A motion was made by Supervisor Houghtling, seconded by Councilmember Buckenroth and approved unanimously with the exception of Councilmember Trainor who is absent to schedule an emergency Special Town Board meeting to discuss pending litigation for Wednesday, November 30th, 2022 at 4:30pm at the Town Hall and asking the Town Clerk to advertise the Special Emergency Meeting through all channels.

ADJOURNMENT:

A motion was made by Supervisor Houghtling, to adjourn the meeting at 5:24pm. The motion was seconded by Councilmember Buckenroth.

Roll Call Vote:

Councilmember Buckenroth -	Aye
Councilmember Gordon -	Aye
Supervisor Houghtling -	Aye
Councilmember Trainor -	Absent
Councilmember Anthonisen-	Aye

Respectfully submitted,

Marcie Robertson
New Lebanon Town Clerk