



**Columbia County
Community Development Block Grant – Economic Development
Public Hearing
Thursday, July 9, 2009, 1:00 p.m.**

The hearing was opened to the public at 1:00 p.m.

Present at the meeting were:

John H. Tramburg
Robert R. Westby
Robert L. Hamele
Lois Schepp, Comptroller

Ulf Buergel (Penda Corp.)
Kathy Cromei (Penda Corp.)
Cindy Devine

The public hearing for the Community Development Block Grant – Economic Development Program (CDBG-ED) was held in the Columbia County Accounting Office to provide a progress report on the Penda Corporation CDBG-ED project.

The original public hearing for this project was held in September 2008. At that time, the following items were discussed:

- Basic overview of the CDBG program
- Total funds available
- Types of activities eligible using CDBG funds (Economic Development, Public Facilities and Housing)
- Community development needs identified by staff/consultant
- Activities proposed for the CDBG-ED application/project
- Potential for residential displacement

Today, Penda President and CEO, Ulf Buergel and Director of HR and Corporate Services, Kathy Cromei reported on the project's progress, which includes two CDBG-ED application(s) from Penda Corporation, one for \$120,000 and another for \$1,000,000. The funds were utilized by Penda Corporation to provide working capital, diversification of their product line and grow the company.

Buergel noted that significant declines in the global economy and automotive industry were unforeseen at the time of the first public hearing. The company's automotive business is currently down 45 – 50 percent. On the positive side, Penda Corporation has diversified, growing parts of the business not related to the automotive industry, such as lawn mower parts and smart ditch product lines.

Buergel noted that on January 1, 2009, Penda successfully executed the purchase of a competitor's company which included facilities in both Michigan and Mexico. The companies merged into one location – at the Portage site, with some production continuing in Mexico.

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The Portage facility employs 247 people, which is less than the 279 projected at the previous hearing. However, considering the circumstances, Buerger is satisfied with the numbers, noting the company is currently in the process of hiring additional employees.

Public hearing was closed to the public at 1:20 p.m.

Respectfully Submitted:

Robert L. Hamele, Secretary

Cindy Devine, Recording Secretary