

Choose Columbia

Columbia Economic Development Corporation

COLUMBIA ECONOMIC DEVELOPMENT CORPORATION NOTICE OF MEETING

Please take notice that there will be a meeting of the Columbia Economic Development Corporation Loan Committee held on January 20, 2021 at 9:30pm for the purpose of discussing any matters that may be presented to the Committee for consideration. The meeting will be held via Zoom Join Zoom Meeting

https://us02web.zoom.us/j/82654811415?pwd=aU1rQ1FWUCtHWEYvRHdCMDJLaWRsUT09

Meeting ID: 826 5481 1415, Passcode: 185442

Dial by your location 1 929 205 6099 US (New York)

Meeting ID: 826 5481 1415

Dated: January 13, 20201

Sarah Sterling

Secretary, Columbia Economic Development Corporation

CEDC Loan Committee

Chairman:

Members:

David Fingar John Lee Seth Rapport Sarah Sterling

Kenneth Leggett

Brian Stickles

- 1. Minutes, December 16, 2020*
- 2. Portfolio Review
 - a. Monthly Loan Report*
- 3. 2020 Discharged Duties*
- 4. Loan Committee Charter Review*
- 5. ROI Digital Consulting, LLC*
- 6. Hudson Roastery, LLC*
- 7. WYLDE Hudson, LLC*
- 8. Public Comment

Attachments:

Draft December 16, 2020 minutes
Portfolio Report
2020 Discharged Duties
Loan Committee Charter
ROI Digital Consulting, LLC writeup
Hudson Roastery, LLC writeup
WYLDE Hudson, LLC writeup

* Requires Approval



Meeting Minutes COLUMBIA ECONOMIC DEVELOPMENT CORPORATION LOAN COMMITTEE

December 16, 2020 One Hudson City Centre, Suite 301 Hudson, New York

A regularly scheduled meeting of Columbia Economic Development Corporation's (CEDC) Loan Committee meeting was held via Zoom due to the COVID-19 outbreak, on December 16, 2020. Ms. Sterling, Acting-Chair, called the meeting to order at 8:35am.

Attendee Name	Title	Status Departed
David Fingar	Committee Member	Present via Zoom
John Lee	Committee Member	Excused
Kenneth Leggett	Committee Member	Excused
Seth Rapport	Committee Member	Present via Zoom
Sarah Sterling	Committee Member	Present via Zoom
Brian Stickles	Committee Member/Alternate	Excused
F. Michael Tucker	President/CEO	Present via Zoom
Andy Howard	CEDC Attorney	Present via Zoom
Martha Lane	Business Development Specialist	Present via Zoom
Erin McNary	Bookkeeper	Present via Zoom
Carol Wilber	Marketing Director	Present via Zoom
Lisa Drahushuk	Administrative Supervisor	Present via Zoom

Minutes:

Ms. Sterling asked if there were any changes to the minutes of November 20, 2020. With no changes, Mr. Fingar made a motion, seconded by Mr. Rapport to approve the minutes from November 20, 2020. Carried.

Portfolio Review:

Ms. Lane reviewed the Portfolio Report with the Committee, noting les collines had been written off and the TrainTime SBA loan had been paid off by CEDC and added to their portfolio. She informed the Committee Hudson Clothier had made their payment after the report had been run. She stated no November payment had been received from Brown's and she would reach out to them. *Mr. Fingar made a motion, seconded by Mr. Rapport to recommend the report to the full board for their approval. Carried.*

Loan Policy Manual Review:

Ms. Lane reviewed the proposed changes to the Loan Policy Manual, which were noted on the distributed copy. She noted most were formatting changes. She noted on page 13 under Portfolio Management, Risk Rating System, the initial risk rating was now proposed to range from 1-5. Mr. Rapport suggested that the range according to the criteria should be changed from 1-3. He also suggested that in the appendix: Lending Authority Table under New Loan Applications, a line should be added for loans \$5,000 and under allowing approval of these at the discretion of the President/CEO without the requirement of Committee and Board approval. He also



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suggested under charge-offs a differentiation be made between those loans under \$25,000 and those at \$25,000 and over, clarifying the charge off didn't require full board approval for those loans under \$25,000. Mr. Rapport made a motion, seconded by Mr. Fingar recommending the Loan Policy Manual with the suggested changes to the full CEDC Board for approval. Carried.

Mr. Tucker suggested that the interest rate offered to the clients be a range between 3.75% and 5.00%. Mr. Fingar suggested it be an integrated part of the rating system.

Galvan Foundation Loan Program:

Mr. Tucker noted he was currently awaiting Galvan's review of the program. Mr. Rapport asked if CEDC should have a policy regarding CEDC's participation in these projects. He felt a policy would give some structure and consistency to the agreement.

City of Hudson Bridge District DRI Loan Program:

Mr. Tucker stated conversations with Empire State Development continued regarding the structure of the loans.

Mr. Tucker stated the Audit and Finance Committee had approved adding the \$100,000 to the loan loss reserve.

With no further business and no public comment, Mr. Rapport made a motion, seconded by Mr. Rapport to adjourn the meeting. Carried. The meeting adjourned at 9:25am.

Respectfully submitted by Lisa Drahushuk

Portfolio Summary Report for All Funds — ACTIVE ACCOUNTS By Funding Source (All transactions)

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1220-70	711 CR3 LLC	03/05/2020	30,000,00	2928221	717.79	248.51	483.15 11/18/2020	10					08>
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1220-47	Atula Woodworks	05/24/2018	13,350.00	8,275.72	5.073.87	1,462.91	252.00 12/29/2020	8					oe >
1220-40	Brown's Car Sales	C9/08/2D17	12,500.00	5,091.16	6,408.84	1,567.28	483.32 12/29/2020	g					88 >
1220-74	Columbia county 06/12/2020	, 06/12/2020	15.000.00	15,000.00									88.4
1220-76	Countryside Cleanup	09/15/2020	22,500.00	22,500.00									× 30
1220-97	East Neuk Corp.	03/10/2020	25,000,00	24,097.23	902.77	308.75	403.84 12/29/2020	æ					<30
1220-66	Germantown Beer F	96/07/2019	30,000,00	26.114.63	3,885.37	1,436,77	484,74 12/07/2020	20 10,00					× عن
1220-475	Germanitown Laundt	09/14/2018	25,000.00	18,454.71	6,545,29	1,910.99	402.68 12/14/2020	QZ .	:				<33
1220-49	G.G. & G. Flower	10/10/2018	15,000,00	8,946,01	5,053.99	1,305.83	283.07 12/14/2020	50					08 ×
1220-72	Hudson Athens Ret_	03/31/2020	12,000.00	11,882.52	117.48	255.44	186.96 12/29/2020	ន្ត					< 30
1220-50	Hudson-Athens Ret	09/13/2017	25,000.00	14,426,64	10,573.36	2,715.10	402.62 12/10/2020	20					< 30
1220-81	Hudson Cruises	050205060	800.00	90.00									× 35
1220-09	Hudson Cruises, Inc.	, 06/15/2014	50,000,00	40,368.72	9,631,48	21,031.83	387,65 01/04/2021	zi					< 30
1220-67	Hudson Dev. Corp	10/30/2019	200,000.00	200,000.00		5,686.54	633.33 12/03/2020	50					< 30
1220-75	James Swartz, dba	09/08/2020	1,961.24	1,789.84	171.40	13.50	100.00 11/15/2020	QZ.		:			96 ×
1220-80	Jannsen, Charlotta	0202/06/80	2,452.50	2,452.50									8,
1220-51	Minna Goods, LLC	02/15/2019	45,000.00	38,108.16	3,891,84	2,703,58	724.72 12/21/2020	50					ල ද
1220-36	Nick Jennings LLC	04/13/2017	10,000,00	3,983.48	8,008.55	1,343,99	193,33 12/15/2020	50					8 >
1220-16	Oldo Hudson, LLC	12/02/2015	40,000.00	8.001.05	31,998.95	9,788.65	696.46 12/21/2020	50					× 33
1220-79	Old Klaverack Bre	08/22/2020	50,000.00	50,000.00									8 8
1220-58	Philmont Beaufili	12/17/2019	25.000.00	25,000.00									< 30
1220-21	Phoenix Services	05/01/2015	128,558.92	79,581,47	49,017,45	28,107,53	1,017.74 11/30/2020	20					os >

Portfolio Summary Report for All Funds — ACTIVE ACCOUNTS By Funding Source

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Portfolio Summary Report for All Funds — ACTIVE ACCOUNTS By Funding Source (All transactions)

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1250-97	Primitive Twig #3	04/08/2020	15,000,00	12,846,89	2,153,11	395.81	300.00	12/29/2020	0 8>	
1250-50	Saison New York,	06/25/2019	20,000.00	13,143.2E	5,856.72	1,683,25	474.81	01/05/2021	8	
1250-60a	Twoli Farm Inc.	12/16/2019	25,000.00	21,597.31	3,402.69	1,727.67	427.53	1220/2020	8,8	
1250-128	Verdignis Tea, LLC	09/09/2015	30,000,00	4,538.58	25.461.42	7,446.00	522.34	522.34 12/10/2020	<30	
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1250-172	2 Dukes & a Princess	03/28/2018	25,000,00	11,226.97	13,774,73	3,922.01	426.23 (01/08/2021	8	
1250-99a	711 CP3 LLC	03/05/2020	30,000,00	27,348.05	2,651.94	1,439,82	511.47	511.47 11/19/2020	0E >	
1250-36a	Albort Schulze, d_	05/23/2019	17,000,00	12,587.28	4,412.72	1,693,42	339.23	339_E3 12/07/2020	96 V	
1250-19a	Alula Waodworks	05/24/2018	13,350.00	6,974,64	6,863.53	1,933.26	262.00	12/28/2020	<30	
1250-183	Behida Dolic	04/23/2018	15,000.00	7,587.93	7,418,07	1.963.72	283.60	13/23/2020	< 30	
1250-168	Fahari Bazaar	02/07/2018	15,000,00	4,879.89	10,120.11	2,106.50	360.00	12/15/2020	<30	
1250-962	Georgia Ray's Vf	0302222050	15,000.00	14,302.51	697.49	127.51	275.00	275.00 12/16/2020	Ø€ >	:
1250-37a	Gormantown Beer F_	06/07/2019	30,000,00	24,169.89	5,830.11	2.904.83	513.82	\$13.82 12/07/2020	0£>	
1250-30	Minna Goods, 1LC	02/15/2019	25,000.00	18,442.89	6,557.11	2,885,95	42823	12/2/2020	0E >	
1250-13a	SUH6 Enterprises	10/13/2017	25,000,00	12,663,80	12,336.20	4,285.77	426.23	12/2/12020	<30	
1250-20a	Wandering Fool, LLC	96/28/2018	25,000.00	15,719.09	9,280,91	3,505.99	426.23	11/30/2020	800	
1250-31a	Willa's Bakery Ca	04/17/2019	30,000,00	22,916.06	7,083.94	3,044,53	477.96	477.96 01/05/2021	<30	
SBA Loan Fi 12 loans	SBA Loan Fund - SBA RIF-0& 12 loans		265,350,00	178,813.01	87,026.86	23.814.71	4,731.00			117727
Fund-Ssa.	Fund:SSA Loan Fund, Submind SSA RLFO7	SEARLF-07								
1230-61	Suffercup Treats	09/17/2020	15,000,00	14,310,25	589,74	135.26	275.00	12/16/2020	<30	
1260-58a	Countryside Cleanup	09/15/2020	25,300.00	24,357.73	942.27	236.58	392.95	12/16/2020	830	
1260-59	Heavenly Essemlals	09/15/2020	15,000,00	14,316,23	563.77	138.91	274.56	274.56 12/16/2020	< 30	
1280-52	IMBY, Inc.	06/26/2020	15,000.00	13,608.19	1,393,81	256.19	275.00	12/16/2020	~ 30	
1260-552	KT Hair Studio LL	07/13/2020	14,000.00	13,134.48	365.51	218.49	217.06	12/16/2020	DE >	
1260-50	Micosta Enterpris	05/04/2020	15,000.00	13,643.92	1,356.08	230.68	274.45	274.48 12/16/2020	<30	
1260-56	Poured Candle Bor	08/11/2020	20,000.00	18,792.04	1,207.96	256.04	366.00	12/16/2020	œ >	
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Portfolio Summary Report for All Funds -- ACTIVE ACCOUNTS By Funding Source (All transactions)

					Cumulative Pmts		=== Latest Pmrs ===	Periods Past Due — Company Com
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1260-57	Quality Q Holding	09/03/2020	35,000,00	33,738.66	1,261.34	370.66	544.00 12/16/2020	06.>
1250-54	Red Mannequin 07/13/2020	07/13/2020	15,000.00	13,858.92	1,141.06	233.92	275.00 12/16/2020	<30
1260-53	Romber Works, 06/19/2020 LLC	06/19/2020	15,000.00	13,617.15	1,382.84	267,16	275.00 12/16/2020	<30
1260-60a	Tabott & Arding 09/25/2020 #2	0202/52/60	33,500.00	32,217,71	1,282,29	278.64	520.31 12/16/2020	05.>
1260-51a	Two! Farm #2 05/11/2020	05/11/2020	15,000.00	13,632.96	1,357.04	27.872	274,46 12/16/2020	< 30
SSA Loan F	SBA Loan Fund - SBA RUF-07: 12 loans		Z32,800,00 219,226,27	21922627	13,573,73	3,575,73	3,963.74	
SBA Loan F	SBA Loan Fund: 42 loans		859,650.00	598,622.82	859,650.00 598,622.82 261,517.05	78,852.45 15,943.05	15,943.05	
Report tota	Report total: 74 loans		1,976,218.88	1,532,809.05	1,532,809.05 443,894.50 177,453.10 25,535.14	177,453.10	25,535,14	

2020 CEDC Loan Committee Report of Discharged Duties

- Provided technical assistance to approximately 69 small business owners in Columbia and Greene Counties
- Conducted an eight-week Microbusiness Seminar Series that graduated 12 entrepreneurs
- Closed 34 loans totaling \$671,320 (20 SBA microloans totaling \$371,800 and 14 CEDC loans totaling \$299,520)
- Reviewed and approved the Quarterly Risk Analysis
- Reaffirmed Charter
- Reviewed lending fees
- Developed Rapid Recovery Loan program
- Approved drawdown of \$250,00 in SBA funds
- Approved the offering of a loan payment deferral to CEDC loan clients
- Elected Chair
- Approved additional \$100,000 to the Loan Loss Reserve account
- Approved updates to the Loan Policy Manual
- Board discussed forming a policy to be used to guide it's role when partnering with other organization on loans.

Columbia Economic Development Corporation Loan Committee Charter

Purpose:

Pursuant to Article IV, Section 1 of the Corporation's bylaws, the purpose of the Loan Committee is to: (i) assist the Board in setting the strategic direction for the Corporation's lending operations, (ii) assist the Board in fulfilling its oversight responsibilities with respect to the Corporation's lending (iii) assist the Board in fulfilling its oversight responsibilities with respect to the Corporation's loan servicing operations and (iv) fulfill such other responsibilities as assigned to it by the Board.

Duties of the Loan Committee:

It shall be the responsibility of the loan committee to:

- The primary responsibility of the Committee is to review and recommend loans and aggregate loan relationships with any individual customer and his or her affiliates that exceed a minimum amount and up to and not to exceed the legal lending limit of the Corporation.
- In connection with the review and approval of any loan request, the Committee shall consider such information as it determines to be consistent with prudent lending practices, including financial statements of the borrower and any guarantors, the ability of the borrower to generate cash flow to support its debt obligations and other cash flow needs, the value and adequacy of the collateral for the loan, recent trends and statistics, and other relevant information.
- Review annually and provide recommendations to the Board regarding the overall strategic plans and initiatives for the Corporation's lending operations, and monitor the implementation of such plans including, markets served and marketing activities.
- Recommend lending policies and procedures to the Board of Directors, and monitor the implementation of such policies.
- Receive monthly reports regarding collections and delinquencies.
- Receive periodic reports regarding other significant issues within the lending operations
 regarding matters such as, but not limited to, compliance, staffing or other operational
 issues.
- Provide recommendations to the Board based upon the Committee's activities.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the Charter and request board approval for proposed changes.
- Review and recommend changes to the Corporation's lending fee schedules.

Composition of Committee and Selection of Members

The Loan Committee shall consist of not less than three independent members of the board of Directors, who shall constitute a majority on the committee. If the board has less than three independent members, non-independent members may be appointed to the committee provided that the independent members constitute a majority of the committee. The Corporation's board shall appoint the Loan Committee members. Members shall serve on the committee at the

discretion of the board. Members appointed to the committee shall have the background necessary to perform its duties.

Meetings

The Loan Committee shall meet at least monthly, unless the Chair deems a meeting unnecessary. Members of the Loan committee are expected to attend each committee meeting. The Loan committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary. A majority of the committee members present shall constitute a quorum.

Meeting agendas shall be prepared prior to every meeting and provided to Loan committee members along with briefing materials five (5) business days before the scheduled Loan committee meeting. The Loan committee may act only on the affirmative vote of a majority of the members present or by unanimous consent. Minutes of these meetings shall be recorded.

A report of the committee's meeting shall be prepared and presented to the board at its next scheduled meeting following the meeting of the committee.

Meetings of the committee are open to the public, and the committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice and the conduct of executive session.

Reviewed and adopted 1/31/17 Reaffirmed 10/23/18

CONFIDENTIAL

TO: Loan Committee

FROM: Michael Tucker, President and CEO

Martha Lane, Business Development Director

SUBJECT: Authorization to Make a Loan and Take Related Actions

DATE: January 8, 2021

Applicant: ROI Digital Consulting LLC

880 Snydertown Road Craryville, NY 12521

Amount: \$15,000 Rapid Recovery Loan

Purpose: Working capital

Interest Rate: 3.75%

Repayment: SBA Loan: 60 level monthly payments, fully amortized, of

\$274.56

Proposed Collateral: Personal guaranty of the owner

Other Security: N/A

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TO:

Loan Committee

FROM:

Martha Lane, Business Development Director

SUBJECT:

Authorization to Make a Loan and Take Related Actions

DATE:

January 8, 2021

Applicant:

Hudson Roastery LLC

4 Park Place

Hudson, NY 12534

Amount:

\$25,000 SBA Microloan

\$25,000 CEDC Loan

Purpose:

Buildout, furniture, fixtures, and equipment, restaurant supplies and

working capital

Interest Rate:

3.75%

Repayment:

SBA: 72 level monthly payments, fully amortized, of \$388.29/month

CEDC: 72 level monthly payments, fully amortized, of \$388.29/month

Proposed Collateral: Lien on all business assets

Other Security:

Personal guaranty of principals

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TO:

Loan Committee

FROM:

Lauren Cranna, Business Development Partner

SUBJECT:

Authorization to Make a Loan and Take Related Actions

DATE:

January 12, 2021

Applicant:

WYLDE Hudson, LLC 35 South Third Street Hudson, NY 12534

Amount:

\$25,000 SBA Microloan \$25,000 CEDC Loan

Purpose:

Equipment and retail inventory

Interest Rate:

3.75%

Repayment:

SBA: 72 level monthly payments, fully amortized, of \$388.29/month

CEDC: 72 level monthly payments, fully amortized, of \$388.29/month

Proposed Collateral: Lien on all business assets

Other Security:

Personal guaranty of principal