



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 October 20, 2015 at 8:00am, followed by a meeting of the Columbia Economic Development Corporation Board at 8:30am at 4303 Route 9, Hudson, NY 12534 for the purpose of discussing any matters that may be presented to the Committee and Corporation for consideration.

Dated: October 10, 2015

Tony Jones

President

Columbia Economic Development Corporation

CEDC Loan Committee

Members:

Rick Bianchi

Greg Fingar

Kim Keil

Bob Sherwood

Colin Stair

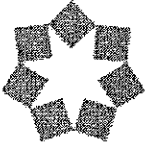
1. Election of Chair
2. Minutes, September 29, 2015
3. Interim Director Report
4. Draft Loan Committee Charter Updated
5. Meeting Schedule
6. Portfolio Review
7. Modified Loan Approval – Pagoda Homes/Hudson Supermarkets
8. Public Comment

Attachments:

Draft September 25, 2015 minutes

Draft Loan Committee Charter updated

Loan Writeup – Pagoda Homes/Hudson Supermarket



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DRAFT

MINUTES COLUMBIA ECONOMIC DEVELOPMENT CORPORATION LOAN COMMITTEE

Tuesday, September 29, 2015

4303 Route 9

Hudson, New York

A regularly scheduled meeting of Columbia Economic Development Corporation's (CEDC) Loan Committee was held at their offices located at 4303 Route 9, Hudson, NY 12534 on September 29, 2015. The meeting was called to order at 8:14 AM by Bob Sherwood, Acting Chair.

Attendee Name	Title	Status	Arrived
Rick Bianchi	Committee Member	Excused	
Greg Fingar	Committee Member	Excused	
Kim Keil	Committee Member	Present	8:14 am
Bob Sherwood	Committee Member	Present	
Colin Stair	Committee Member	Present	
F. Michael Tucker	Interim Executive Director	Present	
Andy Howard	CEDC Attorney	Present	
Martha Lane	Business Development Specialist	Present	
Lisa Drahushuk	Administrative Supervisor	Present	
David Fingar	Vice President, CEDC	Present	
Katie Kocijanski	Reporter, Register Star	Present	

Election of Chair:

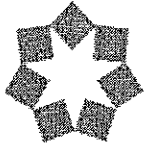
Mr. Tucker stated it had not been determined if Mr. Bianchi would accept the Chairmanship of the Loan Committee.

Interim Director Report:

Ms. Lane handed out the list of Microbusiness attendees to the committee. Mr. Tucker stated a meeting date needed to be set for the Loan Committee in order to give enough time for the information to be presented to the Committee.

Portfolio Review:

Mr. Tucker handed out the portfolio status report to the Committee. He stated the Local Ocean, Greenport Crossings and the Pete's Gone Fishin' loans were in default. Ms. Lane noted the Monkshood SBA loan was current but the CEDC loan was delinquent. She felt uncertain about



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his ability to repay in the future. Mr. Howard stated he would research the Greenport Crossings and Local Ocean loans and report back to the committee. Mr. Sherwood suggested pursuing the personal guarantees on the loans. Ms. Lane gave an update on the workout of the Eric Marrison Corp. loan. Mr. Sherwood informed the Committee that Paul Calcagno had opened his bagel shop/deli in Kinderhook. Mr. Tucker noted he was behind on his payments but had been contacted by staff and was making payments.

Minutes:

Ms. Keil made a motion seconded by Mr. Stair, to approve the minutes from May 26, June 30 and August 25, 2015. Carried.

Ms. Lane stated Olde Hudson would be moving to 449 Warren Street from their current location and had requested a loan for equipment, materials and funds for the build out of the new space. Mr. Tucker stated the funding would be split between SBA and CEDC loan funds. Mr. Tucker suggested to the committee that it should enter into Executive Session, if they wished to discuss the personal finances of the principals of Olde Hudson. *Mr. Sherwood made a motion, seconded by Mr. Stair to enter Executive Session under Article 7 Section 105(f) of the NYS Public Officers Law. Carried.* Executive Session was entered into at 8:17am.

Mr. Sherwood made a motion, seconded by Mr. Stair to exit Executive Session. Carried. Executive Session was exited at 8:35am.

Mr. Sherwood made a motion seconded by Mr. Stair to recommend the SBA loan in the amount of \$35,000 and the CEDC loan in the amount of \$40,000 to the CEDC Board contingent on a title update and a drive by inspection of the residence. Carried

Ms. Keil made a motion seconded by Mr. Stair to approve a modification of the loan to Eric Marrison Corp. consisting of adding the 4 past due payments (principal only) to the back end of the loan. The guarantor will make 6 months of interest only payments beginning in October and will pay the past due interest, additionally the loan will be re-amortized. Carried. Mr. Sherwood recused himself from the vote due to the client being a bank customer.

Mr. Mackerer asked for public comment. There were no comments.

With no further business to discuss, a motion was made by Ms. Keil and seconded by Mr. Sherwood. Carried. The meeting adjourned at 8:37am

Respectfully submitted by Lisa Draushuk

Draft

Columbia Economic Development Corporation

Loan Committee Charter

Purpose:

Pursuant to Article __, Section __ 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 Trustees, 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 Trustees, 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, in person or videoconference. 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 or participating through videoconference 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.

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TO: CEDC Board
FROM: Martha Lane, Business Development Specialist
SUBJECT: Authorization to Make a Loan and Take Related Actions
DATE: October 13, 2015

Applicant: Pagoda Home, Inc.
DBA Hudson Supermarket
310-312 Warren Street
Hudson, NY 12534

Amount: \$50,000

Type of Loan: \$25,000 SBA Microloan and \$25,000 CEDC Loan

Interest Rate: 7.75%

Repayment: SBA: 72 Level monthly payments, fully amortized of \$436.
CEDC: 72 Level monthly payments, fully amortized of \$436.

Purpose: Working capital, building improvements, website development,
kitchen upgrade.