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Columbia Economic Development Corporation

**MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
LOAN COMMITTEE
Tuesday, December 15, 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 December 15, 2015. The meeting was called to order at 8:00 AM by Rick Bianchi, Chairman.

Attendee Name	Title	Status	Arrived
Rick Bianchi	Committee Member	Present	
Greg Fingar	Committee Member	Present	
Kim Keil	Committee Member	Present	
Bob Sherwood	Committee Member	Present	
Colin Stair	Committee Member	Present	
F. Michael Tucker	Interim President/CEO	Present	
Andy Howard	CEDC Attorney	Present	
Tony Jones	CEDC Chairman	Present	
Martha Lane	Business Development Specialist	Present	
Erin McNary	Bookkeeper	Present	
Lisa Drahushuk	Administrative Supervisor	Present	
Katie Kocijanski	Reporter, Register Star	Present	8:17am

Minutes:

Ms. Keil made a motion, seconded by Mr. Fingar, to approve the committee minutes from October 20, 2015. Carried.

Interim President/CEO Report:

Mr. Tucker informed the Committee on advice of the corporate auditor, the loans/grants of Local Ocean and Greenport Crossings would be written off at the end of the year. Mr. Howard stated writing off the loans/grants didn't prohibit future collections. He stated Lemery Greissler continued to pursue Greenport Crossings through their bankruptcy case. Mr. Bianchi asked if the loans had been reserved and if Mr. Tucker had discussed the write offs with the County. Mr. Tucker stated they had been reserved and he had discussed the write off with County Comptroller Caponera. *Mr. Fingar made a motion, seconded by Mr. Stair to recommend writing off the Local Ocean and Greenport Crossings loans/grants to the CEDC Board. Carried. Mr.*



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Sherwood abstained from the vote due to a conflict of interest with his company and the Greenport Crossing loan.

Loan Policies and Procedures:

Mr. Tucker stated he and Ms. Lane had reviewed the policies and procedures of the Community Loan Fund and the SBA with an eye to similar policies for CEDC. He stated he would be presenting the policies at the first meeting of the new year for review and discussion. He also proposed the idea of forming an advisory/underwriting committee made up of commercial lenders to review the larger loans presented to CEDC. He noted the smaller loans typically performed better than the larger loans and suggested an advisory committee could assist with any potential problems.

Mr. Tucker stated Matt Vanderbeck from Pattison Koskey had proposed doing a quarterly spot check of the loans for a cost of \$500/quarter. He stated the firm was unable to assist with policies due to their independent auditor status. Ms. Lane suggested referring the larger loans to NYBDC for funding.

Mr. Fingar noted CEDC's role was to loan to less than perfect loan clients. He felt an advisory committee consisting of commercial lenders would not have a compatible outlook with CEDC's mission. He suggested stronger collateral such as personal assets and life insurance. Mr. Sherwood noted CEDC loaned on projections not on cash flow. He stated it was to be expected that there would be more write offs due to the nature of the companies applying to CEDC for funding.

SBA Goals 2015 – 2016:

Ms. Lane stated the SBA raised the minimum number of loans required to maintain SBA lender stats from 4 to 10 loans per year. She informed the Board that she had closed 3 loans in 6 months.

Portfolio Review:

Mr. Tucker stated he had met with Paul Calcagno regarding his loan. He stated a demand letter had been mailed. Mr. Tucker noted CEDC has a lien on an empty lot next to the newly constructed building. He stated the current amortization was 2 years, which would be extended to 5 years in order to allow the loan to become current.

He stated he would be visiting Nancyscans, to discuss the late payments. He noted this was one of the purposes of the policies and procedures.



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Mr. Jones asked how many loans there were in the pipeline. Ms. Lane stated there were not many. Mr. Bianchi asked the timeline of the policies and procedures. Mr. Tucker stated they would be discussed at the 1st meeting in the new year and approved in February.

Adjournment:

Mr. Fingar made a motion, seconded by Ms. Keil, to adjourn the meeting. Carried.

The meeting adjourned at 8:30 a.m.

Respectfully submitted by Lisa Draushuk