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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 December 15, 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: December 8, 2015

Tony Jones

Chairman

Columbia Economic Development Corporation

CEDC Loan Committee

Chairman:

Rick Bianchi

Members:

Greg Fingar

Kim Keil

Bob Sherwood

Colin Stair

1. Minutes, October 20, 2015*
2. Interim President/CEO Report
3. Portfolio Review
4. SBA Goals 2015 – 2016
5. Loan Policies and Procedures
6. Public Comment

Attachments:

Draft October 20, 2015 minutes

* Requires Approval



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MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
LOAN COMMITTEE
Tuesday, October 20, 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 October 20, 2015. The meeting was called to order at 8:06 AM by Michael Tucker, Interim CEDC Executive Director.

Attendee Name	Title	Status	Arrived
Rick Bianchi	Committee Member	Present	
Greg Fingar	Committee Member	Present	
Kim Keil	Committee Member	Present	
Bob Sherwood	Committee Member	Excused	
Colin Stair	Committee Member	Present	8:14 a.m.
F. Michael Tucker	Interim Executive Director	Present	
Andy Howard	CEDC Attorney	Present	
Martha Lane	Business Development Specialist	Present	
Lisa Draushuk	Administrative Supervisor	Excused	
Edward Stiffler	Economic Developer	Present	
Katie Kocijanski	Reporter, Register Star	Present	

Election of Chairman:

Mr. Tucker stated that he had contacted Mr. Bianchi concerning his willingness to Chair the Loan Committee and announced that Mr. Bianchi would accept the Chairmanship. On a motion by Mr. Fingar, seconded by Ms. Keil, Mr. Bianchi was elected to the position of Chairman of the Loan Committee.

Minutes:

Mr. Fingar made a motion, seconded by Ms. Keil, to approve the Committee minutes from September 29, 2015 with one correction; the last sentence, should read that Mr. Sherwood asked for public comments, not Mr. Mackerer. Carried.



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Interim Director Report:

Mr. Tucker informed the Committee that he had received the latest revision to the proposed funding contract with Columbia County late last evening from Supervisor Reilly and that it contained only minor changes. He noted that the delay in signing the contract that occurred at the County Finance Committee was to allow time for the contract to be placed on the County's website in order for the Board of Supervisors to receive input from the residents. The draft contract will also be posted on CEDC's website for public comment.

Portfolio Review:

The Committee received the loan portfolio summary from Ms. Lane. Mr. Tucker noted that three loans were in default, Local Ocean and the Greenport Crossings loans/grants were not current nor was there any evidence that either could be collected. He recommended that both loans be reviewed by counsel and that if it is determined there is no further legal recourse that they be written off at the end of the year. A third made to Pete's Gone Fishin' also was going to be difficult to recover. Attorney Howard has contacted the new owner of the building and is negotiating a partial return based on the value of the equipment used for collateral. An update on the workout of the Eric Marrish Corp. loan was presented and it was noted that Mr. Marrish has filed bankruptcy. His parents have indicated they will assume the responsibility as co-signers. A proposed workout plan was presented to them but to date no response has been received. Mr. Tucker also informed the Board that three other loans are behind in their payments; Paul Calcagno, NancyScans & Sip N Suds. Mr. Stair suggested that before any write offs occur that they should be discussed with the County. Mr. Tucker said he would discuss it with County Comptroller Caponera.

Loan Policies:

Mr. Tucker brought up the issue of the development of loan policies. He noted that the Capital District Loan Procedure Book was an excellent resource. The need for policies is particularly important with the larger loans. Options discussed included creating an advisory board, possibly of local bank officials to review the larger loans, setting up review committees within the agency or contracting with outside vendors to provide the review. Although no formal decision was made, Mr. Tucker and Mr. Bianchi both stressed the importance of a separate committee for the larger loans and noted the need for direction in setting them up.

Loan Requests:

Ms. Lane presented a loan modification request from Pagoda Home, Inc. d.b.a. Hudson Supermarket. The modification reduced the total loan amount to \$50,000 with equal portions coming from the SBA Microloan and the CEDC Loan Fund. Discussion centered around the past business endeavors of the applicant. Mr. Stair indicated that the applicant had been in business in Hudson for over twenty years and had the means to repay this loan. On a motion by



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Mr. Stair, seconded by Mr. G. Fingar, the Committee approved recommending the loan modification for both the CEDC and SBA loans to the Board for approval, with Mr. Bianchi recusing himself, as the borrower is a client of his accounting firm.

Meeting Date:

Mr. Tucker noted that committee meetings often overlapped into the time set aside for the full Board meeting. He suggested that moving the committee meeting to another day would be the best option. Members noted that Wednesday was not a viable options. Lisa Drahushuk will be asked to canvass the committee members to determine if the Tuesday before the regular Board meeting would be an option. Mrs. Drahushuk will advise Mr. Tucker of the canvass results.

Committee Charter:

The Committee had previously reviewed the proposed Committee Charter. Hearing no further comments on the document, a motion was made by Mr. G. Fingar to adopt the Committee Charter as written, seconded by Mr. Stair. Vote: All in favor.

Public Comments:

Mr. Tucker asked if there were any public comments. There were none.

Adjournment:

With no further business to discuss, a motion was made by Ms. Keil and seconded by Mr. Fingar. Carried. The meeting adjourned at 8:36 a.m.

Respectfully submitted by Edward Stiffler