



# 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 31, 2017 at 8:00am at 4303 Route 9, Hudson, NY 12534 for the purpose of discussing any matters that may be presented to the Committee for consideration.

Dated: October 26, 2017

Sarah Sterling

Secretary, Columbia Economic Development Corporation

### **CEDC Loan Committee**

#### **Chairman:**

Jim Mackerer

#### **Members:**

Russell Bartolotta

Rick Bianchi

Triona Fritsch

Tony Jones

John Lee

Bob Sherwood

Colin Stair

1. Minutes, September 19, 2017\*
2. Portfolio Review
  - a. Monthly Loan Report
3. Hudson Development Corporation Loan Request\*
4. The Wick Loan Request\*
5. Public Comment

#### **Attachments:**

Draft September 19, 2017 minutes

Loan Portfolio

Hudson Development Corporation

The Wick

- \* Requires Approval



**DRAFT**

# Choose Columbia

Columbia Economic Development Corporation

**MINUTES**  
**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION**  
**LOAN COMMITTEE**  
**Tuesday, September 19, 2017**  
**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 19, 2017. Robert Sherwood, Acting Chairman, called the meeting to order at 1:02 pm.

Attendee Name	Title	Status	Arrived
Russell Bartolotta	Committee Member	Present	
Rick Bianchi	Committee Member	Present	
Triona Fritsch	Committee Member	Excused	
John Lee	Committee Member	Present	
James Mackerer	Chairman	Excused	
Bob Sherwood	Committee Member	Present	
Colin Stair	Committee Member	Excused	
Tony Jones	Committee Member	Present	
F. Michael Tucker	President/CEO	Present	1:13pm
Andy Howard	CEDC Attorney	Present	
Brandon Dory	Project Manager	Present	
Martha Lane	Business Development Specialist	Present	
Erin McNary	Bookkeeper	Present	
Edward Stiffler	Economic Developer	Present	
Carol Wilber	Marketing Director	Excused	
Lisa Draushuk	Administrative Supervisor	Present	

**Minutes:**

*Mr. Jones made a motion, seconded by Mr. Bianchi to approve the minutes from the August 22, 2017 meeting. Carried.*

**Portfolio Review:**

Ms. McNary reported no severe delinquencies. She stated a payment had been received from Primitive Twig. Nancyscans and Paul Calcagno had been contacted regarding their payments.

**Copake General Store:**

Ms. Lane stated the principal of the recently formed Copake General Store had purchased the former Copake Front Porch and was seeking \$50,000 for build out of the space and working capital. Ms. Lane



**DRAFT**

# Choose Columbia

Columbia Economic Development Corporation

suggested \$25,000 from CEDC loan funds with a 5% interest rate and \$25,000 from SBA funds with a 7% interest rate. The term on both loans would be 72 months and collateral would be a lien on all business assets, title to the personal vehicle and a personal guarantee from the principal. *Mr. Bianchi made a motion, seconded by Mr. Lee to recommend the loans to the full board conditioned on adding the principal's husband personal guarantee on both loans. Carried.*

## **Rckhoundzz:**

Ms. Lane stated the applicant was requesting a \$2,000 SBA loan for working capital. The applicant hand mines quartz and other minerals, selling some as found and cutting others for use in the jewelry she makes for Etsy and craft fairs. The interest rate would be 7% for a term of 36 months with a lien on business and personal assets. *Mr. Jones made a motion, seconded by Mr. Bianchi, to approve the SBA loan as presented. Carried.*

## **The Pond:**

Mr. Sherwood recused himself from the discussion stating the principal was a Kinderhook Bank client. The borrower has requested a modification of the existing loan. She proposes a lump sum payment of \$30,000, bringing the loan balance to \$100,000. She asked that the \$100,000 loan be re-written with the monthly payment under \$1,000 with a term of 10 years. Ms. Lane proposed rewriting the loan with a 10 year term, interest rate of 5% and a payment of \$750/month and a balloon payment of \$48,000. In the event the business and/or building is sold the loan would be fully repaid *Mr. Bartolotta made a motion, seconded by Mr. Bianchi to approve the loan modification as proposed. Carried.*

## **Loan Committee Evaluation:**

Mrs. Draushuk handed out copies of the Confidential Loan Committee self-evaluation summary for the Committee to review.

## **Other Business:**

Mr. Tucker informed the Committee that Mr. Stiffler and Mr. Dory had completed a drive-through inspection of the Commerce Park, searching for issues with the covenants. He noted default letters had been sent to two property owners who had not fulfilled the terms of their purchase contracts.

Mr. Tucker updated the Committee on the Hudson DRI application progress. Ms. Lane stated Hudson – Athens Retail had closed on their loans, as had Brown's Car Sales.

*With no further business to come before the committee and no public present, Mr. Jones made a motion, seconded by Mr. Lee, to adjourn the meeting. Carried.*

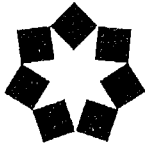
The meeting adjourned at 1:55 p.m.

*Respectfully submitted by Lisa Draushuk*



**CEDC LOAN STATUS REPORT**

<b>SBA Micro Loan</b>	Loan Type	Orig Loan Amount	Orig Loan date	Loan Bal	# of Years	Interest Rate	Monthly Payment	Day Due	Past Due if >30	Last Pymt Date	Change Date
BASILICA INDUSTRIES	MICRO	\$35,000	04/13/16	26,290.00	6	7.00%	\$693.04	13		09/18/17	04/13/21
BROWN'S CAR SALES, LLC	MICRO	\$12,500	09/08/17	12,500.00	5	7.00%	\$247.51	31			09/08/22
EAST CHATHAM FOOD CO	MICRO	\$20,000	08/04/16	15,958.00	5	7.25%	\$398.39	4		09/29/17	08/04/21
EZ FOODS #3	MICRO	\$9,000	08/31/16	5,955.00	3	7.25%	\$278.75	31		09/29/17	08/30/19
BLACK FOREST FLAMMKUCHEN	MICRO	\$23,000	05/27/14	8,639.00	5	7.50%	\$460.87	27		09/25/17	05/27/19
FOX & HARROW	MICRO	\$8,500	06/05/17	8,038.00	4	7.25%	\$204.53	5		09/11/17	06/05/21
HUDSON ATHENS RETAIL	MICRO	\$25,000	09/13/17	25,000.00	13	6.00%	\$414.32	13			09/13/23
HUDSON CLOTHIER	MICRO	\$20,000	05/01/15	13,300.00	6	7.75%	\$348.23	1		09/13/17	05/01/21
HUDSON CHATHAM WINERY	MICRO	\$20,500	08/02/13	7,364.00	6	6.00%	\$339.74	2		09/18/17	08/02/19
J. SWARTZ ENGINE REPAIR #2	MICRO	\$10,000	04/08/15	6,615.00	5	7.75%	\$201.57	8		09/22/17	04/08/20
JEM WOODWORKING #2	MICRO	\$25,000	06/01/15	16,909.00	6	7.50%	\$432.25	1		09/05/17	06/01/21
B.Dorsey Les Collins	MICRO	\$19,500	07/06/15	14,956.00	6	7.75%	\$339.52	6		09/25/17	07/06/21
215 MAIN VENTURES, LLC	MICRO	\$25,000	06/30/17	24,160.00	6	7.25%	\$429.23	30		09/29/17	06/30/23
NICK JENNINGS (TBD)	MICRO	\$5,000	04/13/17	4,647.00	5	7.00%	\$99.01	13		09/18/17	04/13/22
OAK PIZZERIA NAPOLETANA	MICRO	\$25,000	05/11/16	19,190.00	5	7.25%	\$497.98	11		09/21/17	05/11/21
OLDE HUDSON, LLC	MICRO	\$35,000	12/02/15	26,407.00	6	7.75%	\$609.40	2		09/14/17	12/02/21
PAGODA HOME, INC.	MICRO	\$25,000	11/11/15	18,505.00	6	7.75%	\$435.29	11		09/19/17	11/11/21
PARRINABAR CORPORATION	MICRO	\$15,000	04/23/13	4,548.00	6	7.00%	\$255.74	23		09/18/17	04/23/19
PRIMITIVE TWIG	MICRO	\$15,000	12/10/13	4,820.00	5	7.50%	\$300.57	10	\$300.00	09/15/17	03/21/16
TALBOTT, ARDING & CO.	MICRO	\$25,000	03/31/16	19,725.00	6	7.25%	\$428.84	30		09/22/17	03/30/22
RCKHOUNDZZ	MICRO	\$2,000	09/28/17	2,000.00	3	7.00%	\$61.75	28			09/28/20
RONNYBROOK	MICRO	\$25,000	02/06/14	11,072.00	6	7.50%	\$432.25	6		09/13/17	02/06/20
STATE 11 DISTILLERY	MICRO	\$25,000	02/24/17	23,017.00	6	7.25%	\$429.23	6		09/07/17	02/24/23
SCHERIFF ELECTRICAL	MICRO	\$25,000	12/19/14	14,964.00	6	7.75%	\$435.29	19		09/20/17	12/19/20
VERDIGRIS TEA	MICRO	\$30,000	09/09/15	21,499.00	6	7.75%	\$522.34	9		09/08/17	09/09/21
		\$ 505,000.00		\$ 356,078.00			\$ 9,295.64				
<b>Current Total</b>		\$1,907,238.30		\$1,079,600.00			\$28,005.91				



# Choose Columbia

Columbia Economic Development Corporation

## MEMORANDUM

**TO:** CEDC Loan Committee

**FROM:** Martha E. Lane, Business Development Specialist

**RE:** Loan Request

**DATE:** October 17, 2017

---

**Applicant:** Hudson Development Corporation  
One North Front Street  
Hudson NY 12534

**Amount:** \$95,000 CEDC Loan

**Project:** Applicant is seeking capital to purchase property from CSX for \$85,000. It then plans to package the property with the KAZ property it already owns, and find a developer to purchase or lease the combined parcels. HDC has issued an RFP seeking bids from interested developers.

**Purpose:** Purchase real property.

**Interest Rate:** 5.00%

**Term:** 24 months of interest-only payments with a \$95,000 balloon. If the properties in question are not sold by the end of the term, the \$95,000 will be amortized over 6 years at 5%.

**Collateral:** First mortgages on both CSX and KAZ properties.

**Jobs:** Project is expected to create 120 FT jobs and 70 PT jobs.