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Columbia Economic Development Corporation

MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
LOAN COMMITTEE
Tuesday, February 27, 2018
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 February 27, 2018. Robert Sherwood, Acting-Chairman, called the meeting to order at 8:00 am.

Attendee Name	Title	Status	Arrived
Rick Bianchi	Committee Member	Excused	
John Lee	Committee Member	Present	
Bob Sherwood	Committee Member	Present	
Colin Stair	Committee Member	Present	
Tony Jones	Committee Member	Present	
F. Michael Tucker	President/CEO	Present	
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 Drahushuk	Administrative Supervisor	Present	

Minutes:

Mr. Stair made a motion, seconded by Mr. Lee to approve the minutes from the January 30, 2018 meeting. Carried.

Portfolio Review:

Ms. Lane stated Fox and Harrow was nearing 60 days past due and a demand letter had been sent. She stated she would be recommending the loan be written off. She stated Primitive Twig had been refinanced, and the closing had taken place on February 8th. Ms. Lane noted the Hudson River Laundress may be considered for writeoff in March. Mr. Tucker stated the Old Klaverack Brewery had contacted Ms. McNary regarding payments. Ms. Lane stated a demand letter had been mailed to Nancyscans. Ms. Lane informed the Board that the Philmont Beautification had given an additional 6 months to pay their bridge loan. She stated the project was progressing. Ms. Lane stated the Paul Calcagno loan remained 2 month in arrears but continues to send checks monthly. Mr. Tucker stated He would like to discuss some changes to the



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Loan Policy in March, noting there were a couple of items that should be tightened up. *Mr. Stair made a motion, seconded by Mr. Lee to recommend the portfolio review to the full board. Carried.*

Loan Requests:

Wandering Fool LLC, DBA Sparrowbush Bread and Grain:

Ms. Lane stated the loan requests were for \$25,000 from CEDC at 5% interest rate, and \$25,000 from SBA at 7% interest rate. The term for each loan was 72 months. Collateral would be the equipment purchased with the loan funds and the personal guaranty of the principal. Mr. Lapenn asked if the private loan would be subordinate to the CEDC loan. Mr. Tucker stated it would be. *Mr. Jones made a motion, seconded by Mr. Stair to approve the loans as presented. Carried.*

Two Dukes and a Princess LLC, DBA Upland:

Mr. Sherwood recused himself from the discussion after being made aware the loan client was a client of Kinderhook Bank. Ms. Lane stated the loan requests were for \$25,000 from the CEDC loan fund and the SBA loan fund. The CEDC interest rate proposed was 5%, with the SBA proposed rate was 7%. The terms of each loan would be 72 months. The loan funds would be used to purchase restaurant equipment, which would be used as collateral for the loans. Personal guaranties would be obtained from each of the principals. *Mr. Lee made a motion, seconded by Mr. Stair to approve the loans as presented. Carried.*

Philmont Beautification:

Ms. Lane stated the project completion date had been overly optimistic, noting the deadline was June 2018. She asked the Committee to extend the payment to December 2018, which should allow sufficient time for the monies to be received and forwarded to CEDC. *Mr. Lee made a motion, seconded by Mr. Stair to approve the modification of the loan with the terms presented. Carried.*

Les Collines:

Ms. Lane stated she was recommending a modification of the Les Collines loan. She recommended the modification provide for the SBA loan to be paid off with CEDC funds, the loan term would be 5 years at 6% interest. The principal was working with a technical assistance provider, had taken the Microbusiness class and participated in the HVADC incubator program. *Mr. Jones made a motion, seconded by Mr. Lee to modify the loan as presented. Carried.*

Other Business:

Mr. Tucker informed the Board he had met with Kevin Catalamo formerly of the Altech Loan Fund and currently with Kinderhook Bank. Mr. Catalamo suggested that CEDC could offer a lower interest rate if the loan client allowed CEDC to debit their account for the loan payment monthly and/or completed the Microbusiness class. He stressed the importance of streamlining the bookkeeping procedures in order to free up time for the anticipated increased work generated by the DRI community development grant work. Mr. Jones suggested CEDC write a letter of support offering assistance to the City for the DRI. Mr. Tucker suggested that CEDC staff could assist with completing grant forms for the DRI projects.



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Mr. Tucker stated with the County's approval of the PACE program, CEDC needs to begin marketing the program to County businesses. Mr. Howard reminded the Committee that a proposed by-law change would enable alternates to be appointed to committees thereby addressing the quorum issue.

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

The meeting adjourned at 8:31 a.m.

Respectfully submitted by Lisa Drahushuk