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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 April 10, 2018 at 1:00pm at 4303 Route 9, Hudson, NY 12534 for the purpose of discussing any matters that may be presented to the Committee for consideration.

Dated: April 3, 2018

Sarah Sterling

Secretary, Columbia Economic Development Corporation

CEDC Loan Committee

Chairman:

Members:

Rick Bianchi

Tony Jones

John Lee

Bob Sherwood

Colin Stair

1. Minutes, February 27, 2018*
2. Portfolio Review
 - a. Monthly Loan Report*
3. Fox & Harrow*
4. Hudson River Laundress*
5. Loan Requests
 - a. Behida Dolic Millinery*
6. Loan Committee Confidential Evaluation
7. Public Comment

Attachments:

Draft February 27, 2018 minutes

Loan Report

Behida Dolic Millinery Loan Request

* Requires Approval



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**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.

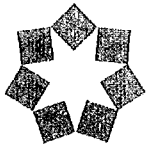
Attendee Name	Title	Status	Arrived
Rick Bianchi	Committee Member	Excused	
John Lee	Committee Member	Present	
Bob Sherwood	Committee Member	Present	
Colin Stair	Committee Member	Present	
Tony Jones	Committee Member	Present	
F. Michael Tucker	President/CEO	Present	
Andy Howard	CEDC Attorney	Present	
Brandon 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 Drahashuk	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 Laundry 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 this portion of the meeting. Mr. Sherwood stated the principals had a business relationship with 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:

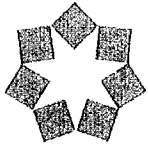
Ms. Lane stated the project completion date had been overly optimistic, noting the deadline was June 2018. She asked the Committee to extend the payment to December 2018, which should allow sufficient time for the monies to be received and forwarded to CEDC. *Mr. Lee made a motion, seconded by Mr. Stair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

CEDC LOAN STATUS REPORT

SBA Micro Loan	Loan Type	Orig Loan Amount	Orig Loan date	Loan Bal	# of Years	Interest Rate	Monthly Payment	Day Due	Past Due if >30	Last Pymt	Change Date
BASILICA INDUSTRIES	MICRO	\$35,000	04/13/16	23,004.00	6	7.00%	\$693.04	13		03/16/18	04/13/21
BROWN'S CAR SALES, LLC	MICRO	\$12,500	09/08/17	11,437.00	5	7.00%	\$247.51	31		03/12/18	09/08/22
EAST CHATHAM FOOD CO	MICRO	\$20,000	08/04/16	14,430.00	5	7.25%	\$398.39	4		04/02/18	08/04/21
EZ FOODS #3	MICRO	\$9,000	08/31/16	4,719.00	3	7.25%	\$278.75	31		04/02/18	08/30/19
BLACK FOREST FLAMMUKUCHEN	MICRO	\$23,000	05/27/14	6,160.00	5	7.50%	\$460.87	27		03/19/18	05/27/19
GREEN BEAUTY	MICRO	\$5,000	10/19/17	4,496.00	3	7.25%	\$154.96	19		04/03/18	10/19/21
FAHARI BAZAR	MICRO	\$15,000	02/08/18	15,000.00	4	7.00%	\$359.26	8	\$359.26		02/08/22
FOX & HARROW	MICRO	\$8,500	06/05/17	7,725.00	4	7.25%	\$204.53	5	\$613.59	11/16/17	06/05/21
HUDSON ATHENS RETAIL	MICRO	\$25,000	09/13/17	23,538.00	13	6.00%	\$414.32	13		04/02/18	09/13/23
HUDSON CLOTHIER	MICRO	\$20,000	05/01/15	11,700.00	6	7.75%	\$348.23	1		03/19/18	05/01/21
HUDSON CHATHAM WINERY	MICRO	\$20,500	08/02/13	5,835.00	6	6.00%	\$339.74	2		03/30/18	08/02/19
J. SWARTZ ENGINE REPAIR #2	MICRO	\$10,000	04/08/15	5,646.00	5	7.75%	\$201.57	8		03/20/18	04/08/20
JEM WOODWORKING #2	MICRO	\$25,000	06/01/15	14,920.00	6	7.50%	\$432.25	1		03/12/18	06/01/21
2-15 MAIN VENTURES LLC	MICRO	\$25,000	06/30/17	22,434.00	6	7.25%	\$429.23	30		03/01/18	06/30/23
NICK JENNINGS	MICRO	\$5,000	04/13/17	4,208.00	5	7.00%	\$99.01	13		03/22/18	04/13/22
OAK PIZZERIA NAPOLETANA	MICRO	\$25,000	05/11/16	16,467.00	5	7.25%	\$497.98	11		03/22/18	05/11/21
OLDE HUDSON, LLC	MICRO	\$35,000	12/02/15	23,731.00	6	7.75%	\$609.40	2		03/13/18	12/02/21
PAGODA HOME, INC.	MICRO	\$25,000	11/11/15	16,388.00	6	7.75%	\$435.29	11		03/20/18	11/11/21
PARR INABAR CORPORATION	MICRO	\$15,000	04/23/13	3,154.00	6	7.00%	\$255.74	23		03/19/18	04/23/19
PRIMITIVE TWIG #2	MICRO	\$9,278	02/08/18	9,032.00	3	7.00%	\$286.47	8		02/08/21	02/08/21
TALBOTT, ARDING & CO.	MICRO	\$25,000	03/31/16	17,831.00	6	7.25%	\$428.84	30		03/23/18	03/30/22
RCKHOUNDZZ	MICRO	\$2,000	09/28/17	1,679.00	3	7.00%	\$61.75	28		03/26/18	09/28/20
RONNYBROOK	MICRO	\$25,000	02/06/14	9,234.00	6	7.50%	\$432.25	6		03/19/18	02/06/20
SUH6 ENTERPRISES, LLC	MICRO	\$25,000	10/13/17	23,582.00	6	7.00%	\$426.23	6		03/23/18	10/13/23
STATE 11 DISTILLERY	MICRO	\$25,000	02/24/17	21,249.00	6	7.25%	\$429.23	6		04/02/18	02/24/23
2 DUKES & A PRINCESS	MICRO	\$25,000	03/28/18	25,000.00	6	7.00%	\$426.23	28			03/28/24
VERDIGRIS TEA	MICRO	\$30,000	09/09/15	19,161.00	6	7.75%	\$522.34	9		03/05/18	09/09/21
		\$ 524,777.61		\$ 361,760.00			\$ 9,873.41				
Current Total		\$1,659,029.14		\$1,045,587.23			\$24,152.96				

CEDC LOAN STATUS REPORT

LOAN FUND 3/30/18		RECIPIENT	LOAN TYPE	ORIG. LOAN AMOUNT	ORIGIN. Loan Date	Loan Bal	# of YEARS	INTEREST RATE	MONTHLY PAYMENT	DAY DUE	PAST DUE IF > 30	Last PYMT	CHANGE DATE
		BROWN'S CAR SALES, LLC	CDBG	\$12,500	09/08/17	11,412.00	5	6.00%	\$241.66	31		03/12/18	09/08/22
		BRIGID DORSEY, LES COLLINES	CDBG	\$14,222	03/21/18	14,222.23	5	6.00%	\$274.96	21			03/21/23
		EAST CHATHAM FOOD Co.	CDBG	\$15,000	08/04/16	10,822.00	5	7.25%	\$298.79	4		04/02/18	08/04/21
		HUDSON CHATHAM WINERY LF	CDBG	\$32,045	08/02/13	8,560.00	6	3.00%	\$486.88	2		03/30/18	08/02/19
		HUDSON RIVER LAUNDRESS	CDBG	\$7,394	03/01/17	5,476.00	3	6.00%	\$112.00	1	\$448.00	01/30/18	12/01/19
		HUDSON ATHENS RETAIL	CDBG	\$25,000	09/13/17	23,495.00	6	5.00%	\$402.62	13		04/02/18	09/13/23
		HUDSON CRUISES, INC.	CDBG	\$50,000	06/15/14	45,077.00	10	7.00%	\$387.65	15		03/07/18	06/15/24
		HUDSON VALLEY CREAMERY	CDBG	\$100,000	01/01/12	13,772.00	7	5.00%	\$1,413.89	1		03/12/18	01/01/19
		J.E.M. WOODWORKING #2	CDBG	\$32,067	06/01/15	18,905.00	6	6.50%	\$539.04	1		03/12/18	06/01/21
		LINDA MARRISH (THE POND)	CDBG	\$100,000	10/13/17	98,320.00	10	5.00%	\$750.00	13		03/30/18	10/13/27
		MARIOS HOME CENTER	CDBG	\$100,000	10/01/09	16,470.00	10	2.25%	\$931.37	1		03/26/18	10/01/19
		OLDE HUDSON	CDBG	\$40,000	12/02/15	27,122.00	6	7.75%	\$696.46	2		03/13/18	10/01/19
		215 MAIN VENTURES LLC	CDBG	\$25,000	06/30/17	22,287.00	6	5.25%	\$405.53	30		03/01/18	06/30/23
		NICK JENNINGS	CDBG	\$10,000	04/13/17	8,369.00	5	6.00%	\$193.33	13		03/22/18	04/13/22
		OLD KLAVERACK BREWERY	CDBG	\$17,324	05/01/17	16,122.00	5	7.75%	\$349.20	1	\$349.00	04/02/18	07/01/22
		NANCYSCANS CORP	CDBG	\$100,000	11/16/09	1,487.00	7	8.00%	\$1,558.88	16	\$1,487.00	03/12/18	11/16/16
		PHILMONT BEAUTIFICATION	CDBG	\$30,000	03/19/18	30,000.00	19	3.00%	\$0.00	19		12/03/18	05/03/18
		PAGODA HOME, INC.	CDBG	\$25,000	11/11/15	16,390.00	6	7.75%	\$435.29	11		03/20/18	10/01/19
		PAUL CALCAGNO	CDBG	\$60,000	12/15/14	23,194.00	2	7.00%	\$1,232.02	15	\$2,464.00	03/17/18	09/25/19
		PARR INABAR CORP.	CDBG	\$35,000	04/23/13	7,399.00	6	7.00%	\$596.72	23		03/19/18	04/23/19
		RONNYBROOK	CDBG	\$25,000	02/06/14	9,233.00	7	7.50%	\$432.25	6		03/19/18	03/06/20
		SUH6 ENTERPRISES, LLC	CDBG	\$25,000	10/13/17	23,495.00	6	5.00%	\$402.62	13		03/23/18	10/13/23
		STATE 11 DISTILLERY	CDBG	\$25,000	02/24/17	21,047.00	6	5.25%	\$405.53	24		04/02/18	02/24/23
		PHOENIX SERVICES	CDBG	\$128,699	05/01/15	111,151.00	15	5.00%	\$1,017.74	1		02/28/18	05/01/30
		2 DUKES & A PRINCESS	CDBG	\$25,000	03/28/18	25,000.00	6	5.00%	\$402.62	28			03/28/24
		41 CROSS STREET HOSPITALITY	CDBG	\$75,000	12/13/17	75,000.00	13	5.00%	\$312.50	13		04/02/18	06/13/26
		TOTAL		\$1,134,251.53		\$683,827.23			\$14,279.55		\$4,748.00		
		ANGELLO'S DISTRIBUTING	SC	\$100,000	01/01/06	30,542.00	15	6.00%	\$843.86	1		02/28/18	01/01/21
		HUDSON VALLEY CREAMERY 184	SC	\$184,000	05/01/12	32,842.00	7	5.00%	\$2,600.64	1		03/12/18	05/01/19
		Total		\$284,000.00		\$63,384.00			\$3,444.50		\$4,748.00		
		GRANTS											
		Flanders	LF	200,000.00	07/11/11	\$ 200,000.00							



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MEMORANDUM

TO: CEDC Loan Committee
FROM: Martha E. Lane, Business Development Specialist
RE: Loan Request
DATE: March 22, 2018

Applicant: Behida Dolic
DBA Behida Dolic Millinery
715 Warren Street
Hudson, NY 12534

Amount: \$15,000 SBA Microloan

Project: Ms. Dolic is relocating her seven-year-old business from 715 to 610 Warren Street. She is seeking \$15,000 for the build-out of the space, furniture, fixtures and equipment, and working capital.

Interest Rate: 7.00%

Term: 48 months

Collateral: First lien on furniture, fixtures, equipment, and inventory; personal guaranty of Behida Dolic.

Jobs: Project will retain 1 FT job

Confidential Board Evaluation of Loan Committee Performance				
Criteria		Somewhat	Somewhat	
	Agree	Agree	Disagree	Disagree
The Committee members meet applicable independence requirements.				
The Committee reviews and approves the charter, policies and procedures, and recommends any changes to the board for approval, at least annually.				
Discusses guidelines and policies governing the processes used to address and manage risk exposure.				
Reports proceedings, findings and recommendations to the Board after each Committee meeting.				
Agendas and related information are circulated in advance of meetings allowing the Committee sufficient time to review information.				
The Committee members have the opportunity to speak with and ask questions of any Committee advisors that attend Committee meetings.				
The Committee receives an appropriate level of detail upon which to base their decisions				
Reviews delinquencies and collections regularly.				
Reviews loan portfolios for consistency with loan fund goals.				
Review and provide recommendations regarding overall strategic lending plans and initiatives.				