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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 May 15, 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: May 8, 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, April 10, 2018*
2. Portfolio Review
 - a. Monthly Loan Report*
3. Loan Requests
 - a. Hudson Clothier*
 - b. Alula Woodworks*
4. Public Comment

Attachments:

Draft April 10, 2018 minutes

Loan Report

Hudson Clothier Loan Request

Alula Woodworks Loan Request

* Requires Approval



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MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
LOAN COMMITTEE
Tuesday, April 10 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 April 10, 2018. Robert Sherwood, Acting-Chairman, called the meeting to order at 1:05 pm.

Attendee Name	Title	Status	Arrived
Rick Bianchi	Committee Chair	Excused	
John Lee	Committee Member	Excused	
Bob Sherwood	Committee Member	Present	
Colin Stair	Committee Member	Present	
Tony Jones	Committee Member	Present	
F. Michael Tucker	President/CEO	Excused	
Andy Howard	CEDC Attorney	Present	
Brandon Dory	Project Manager	Excused	
Martha Lane	Business Development Specialist	Present	
Erin McNary	Bookkeeper	Present	
Edward Stiffler	Economic Developer	Present	
Carol Wilber	Marketing Director	Excused	
Lisa Drahashuk	Administrative Supervisor	Excused	

Minutes:

Mr. Sherwood asked that the February 27th minutes be changed on page 2 to read “Mr. Sherwood recused himself from the discussion after being made aware the loan client was a client of Kinderhook Bank.”

Mr. Stair made a motion, seconded by Mr. Jones to approve the minutes of the February 27, 2018

Meeting with the suggested change. Carried

Portfolio Review:

Ms. Lane provided an overview of the loan portfolio. Mrs. McNary noted that Fahari Bazar’s payment was recently received and should not be shown as past due. Ms. Lane then asked the Committee to consider writing off two delinquent loans. The first is Fox and Harrow. Ms. Lane indicated that the recipient had numerous problems getting her business started and it now appears that no repayment will be made and due to the length of the past due timeframe, the SBA requires that that this loan be written off. *Mr. Jones made a motion, seconded by Mr. Sherwood to write off this loan. Carried.*

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The second loan considered for write off is the Hudson River Laundress. As with the above loan, it appears that repayment will not occur and that the loan should be written off. Mr. Sherwood expressed his concern that the agency may get a reputation of not collecting on past due loans. Mr. Stair also questioned whether we should be more active in pursuing repayment or not. Attorney Howard noted that even if the loans are written off, it does not prevent CEDC from continuing to collect on those loans. *Mr. Stair made a motion, seconded by Mr. Jones to write off the Hudson River Laundress loan. Carried.*

Ms. Lane also informed the Committee that she had discussions with Brian Stickles of Greene County Bank who asked that CEDC take a subordinate roll with their mortgage on the Central Market in Germantown. The Bank will be extending additional mortgage funding to the principles and would like CEDC to move to a 4th position. A discussion continued with various concerns and ideas offered. The Committee decided that they would prefer that the Bank take CEDC out of the formula completely.

Loan Requests:

Behida Dolic Millinery

Ms. Lane stated that Ms. Dolic is moving her business from 715 to 610 Warren Street in the City of Hudson. She is requesting \$15,000 to be used for a build out of the new space, furniture, fixtures and equipment and working capital. The SBA Microloan will have a term of 48 months with an interest rate of 7%. Ms. Lane outlined her financial situation and Mr. Stair suggested that maybe the loan could be coupled in part with a CEDC loan and a reduced interest rate. It was also suggested that if she were to attend the Small Business classes that a reduced interest rate could be offered. *Mr. Stair made a motion, seconded by Mr. Jones to approve the loan for a term of up to 60 months at a rate of 6.5% conditioned on Ms. Dolic attending the next series of the Small Business Classes and providing additional information such as the costs of making the hats, material costs, total sales in store verses internet sales and other details that would allow for a better understanding of the operation of her business. Carried.*

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

The meeting adjourned at 1:50 p.m.

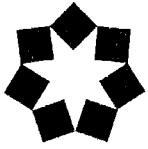
Respectfully submitted by Edward Stiffler

CEDC LOAN STATUS REPORT

4/30/2018		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
SBA Micro Loan												
	BASILICA INDUSTRIES	MICRO	\$35,000	04/13/16	22,445.00	6	7.00%	\$693.04	13		04/16/18	04/13/21
	BEHIDA DOLIC MILLINERY	MICRO	\$15,000	04/23/18	15,000.00	5	6.50%	\$293.49	23			04/23/23
	BROWN'S CAR SALES, LLC	MICRO	\$12,500	09/08/17	11,256.00	5	7.00%	\$247.51	31		04/13/18	09/08/22
	EAST CHATHAM FOOD CO	MICRO	\$20,000	08/04/16	13,805.00	5	7.25%	\$398.39	4		04/30/18	08/04/21
	EZ FOODS #3	MICRO	\$9,000	08/31/16	4,215.00	3	7.25%	\$278.75	31		04/30/18	08/30/19
	BLACK FOREST FLAMMKUCHEN	MICRO	\$23,000	05/27/14	5,737.00	5	7.50%	\$460.87	27		04/11/18	05/27/19
	GREEN BEAUTY	MICRO	\$5,000	10/19/17	4,240.00	3	7.25%	\$154.96	19		04/19/18	10/19/21
	FAHARI BAZAR	MICRO	\$15,000	02/08/18	14,455.00	4	7.00%	\$359.26	8		04/06/18	02/08/22
	HUDSON ATHENS RETAIL	MICRO	\$25,000	09/13/17	22,944.00	13	6.00%	\$414.32	13		04/13/18	09/13/23
	HUDSON CLOTHIER	MICRO	\$20,000	05/01/15	11,428.00	6	7.75%	\$348.23	1		04/12/18	05/01/21
	HUDSON CHATHAM WINERY	MICRO	\$20,500	08/02/13	5,524.00	6	6.00%	\$339.74	2		04/23/18	08/02/19
	J. SWARTZ ENGINE REPAIR #2	MICRO	\$10,000	04/08/15	5,481.00	5	7.75%	\$201.57	8		04/18/18	04/08/20
	JEM WOODWORKING #2	MICRO	\$25,000	06/01/15	14,581.00	6	7.50%	\$432.25	1		04/05/18	06/01/21
	NICK JENNINGS	MICRO	\$5,000	04/13/17	4,134.00	5	7.00%	\$99.01	13		04/20/18	04/13/22
	OAK PIZZERIA NAPOLETANA	MICRO	\$25,000	05/11/16	16,069.00	5	7.25%	\$497.98	11		04/05/18	05/11/21
	OLDE HUDSON, LLC	MICRO	\$35,000	12/02/15	23,276.00	6	7.75%	\$609.40	2		04/16/18	12/02/21
	PAGODA HOME, INC.	MICRO	\$25,000	11/11/15	15,995.00	6	7.75%	\$435.29	11		04/18/18	11/11/21
	PARR INABAR CORPORATION	MICRO	\$15,000	04/23/13	2,917.00	6	7.00%	\$255.74	23		04/25/18	04/23/19
	PRIMITIVE TWIG #2	MICRO	\$9,277	02/08/18	8,784.00	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		04/28/18	03/30/22
	RCKHOUNDZZ	MICRO	\$2,000	09/28/17	1,679.00	3	7.00%	\$61.75	28		04/26/18	09/28/20
	RONNYBROOK	MICRO	\$25,000	02/06/14	8,859.00	6	7.50%	\$432.25	6		04/26/18	02/06/20
	SUH6 ENTERPRISES, LLC	MICRO	\$25,000	10/13/17	23,582.00	6	7.00%	\$426.23	6		04/23/18	10/13/23
	STATE 11 DISTILLERY	MICRO	\$25,000	02/24/17	20,646.00	6	7.25%	\$429.23	6		04/26/18	02/24/23
	2 DUKES & A PRINCESS	MICRO	\$25,000	03/28/18	25,000.00	6	7.00%	\$426.23	28		04/27/18	03/28/24
	VERDIGRIS TEA	MICRO	\$30,000	09/09/15	18,762.00	6	7.75%	\$522.34	9		04/05/18	09/09/21
			\$ 506,277.00		\$ 338,645.00			\$ 9,533.14				
	Current Total		\$1,508,133.00		\$972,412.00			\$21,881.27				

CEDC LOAN STATUS REPORT

LOAN FUND 4/30/18												
RECIPIENT	LOAN TYPE	ORIG. 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	11,227.00	5	6.00%	\$241.66	31		04/13/18	09/08/22	
BRIGID DORSEY, LES COLLINES	CDBG	\$14,222	03/21/18	14,018.00	5	6.00%	\$274.96	21			03/21/23	
EAST GHATHAM FOOD Co.	CDBG	\$15,000	08/04/16	10,354.00	5	7.25%	\$298.79	4		04/30/18	08/04/21	
HUDSON CHATHAM WINERY LF	CDBG	\$32,045	08/02/13	8,094.00	6	3.00%	\$486.88	2		04/23/18	08/02/19	
HUDSON ATHENS RETAIL	CDBG	\$25,000	09/13/17	22,885.00	6	5.00%	\$402.62	13		04/13/18	09/13/23	
HUDSON CRUISES, INC.	CDBG	\$50,000	06/15/14	44,952.00	10	7.00%	\$387.65	15		03/07/18	06/15/24	
J.E.M. WOODWORKING #2	CDBG	\$32,067	06/01/15	18,468.00	6	6.50%	\$539.04	1		04/05/18	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	15,560.00	10	2.25%	\$931.37	1		04/23/18	10/01/19	
OLDE HUDSON	CDBG	\$40,000	12/02/15	26,600.00	6	7.75%	\$696.46	2		04/16/18	10/01/19	
NICK JENNINGS	CDBG	\$10,000	04/13/17	8,218.00	5	6.00%	\$193.33	13		04/20/18	04/13/22	
OLD KLAVERACK BREWERY	CDBG	\$17,324	05/01/17	15,877.00	5	7.75%	\$349.20	1	\$698.00	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	15,997.00	6	7.75%	\$435.29	11		04/18/18	10/01/19	
PAUL CALCAGNO	CDBG	\$60,000	12/15/14	22,097.00	2	7.00%	\$1,232.02	15	\$1,232.00	04/27/18	09/25/19	
PARR INABAR CORP.	CDBG	\$35,000	04/23/13	6,846.00	6	7.00%	\$596.72	23		04/25/18	04/23/19	
RONNYBROOK	CDBG	\$25,000	02/06/14	8,859.00	7	7.50%	\$432.25	6		04/26/18	03/06/20	
SUH6 ENTERPRISES, LLC	CDBG	\$25,000	10/13/17	23,191.00	6	5.00%	\$402.62	13		04/23/18	10/13/23	
STATE 11 DISTILLERY	CDBG	\$25,000	02/24/17	20,419.00	6	5.25%	\$405.53	24		04/26/18	02/24/23	
PHOENIX SERVICES	CDBG	\$128,698	05/01/15	110,596.00	15	5.00%	\$1,017.74	1		04/04/18	05/01/30	
2 DUKES & A PRINCESS	CDBG	\$25,000	03/28/18	24,702.00	6	5.00%	\$402.62	28		04/27/18	03/28/24	
41 CROSS STREET HOSPITALITY	CDBG	\$75,000	12/13/17	75,000.00	13	5.00%	\$312.50	13		04/23/18	06/13/26	
TOTAL		\$1,001,856.00		\$633,767.00			\$12,348.13		\$3,417.00			
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	30,379.00	7	5.00%	\$2,600.64	1		04/09/18	05/01/19	
HUDSON VALLEY CREAMERY	CDBG	\$100,000	01/01/12	11,054.00	7	5.00%	\$1,413.89	1		04/09/18	01/01/19	
		\$384,000		\$71,975.00			\$4,858.39					



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MEMORANDUM

TO: CEDC Loan Committee
FROM: Martha E. Lane, Business Development Specialist
RE: Loan Request
DATE: May 7, 2018

Applicant: Mary Vaughn Williams
DBA Hudson Clothier
443 Warren Street
Hudson, NY 12534

Amount: \$25,000 SBA Microloan
(\$13,372 in new funds; \$11,428 to pay off existing SBA Microloan)

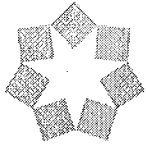
Project: Working capital and inventory purchases

Interest Rate: 6.50%

Term: 72 months

Collateral: First lien on all business assets of Hudson Clothier including inventory, display cases, furniture, fixtures, and equipment; personal guaranty of Mary Vaughn Williams

Jobs: Project will retain 1 FT and 1 PT job



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MEMORANDUM

TO: CEDC Loan Committee
FROM: Martha E. Lane, Business Development Specialist
RE: Loan Request
DATE: May 7, 2018

Applicant: Sean Casey, DBA Alula Woodworks
22 Pine Street
Claverack, NY 12513

Amount: \$26,700 SBA Microloan

Project: Mr. Casey plans to move his shop from the ground floor of his mixed-use building into an outbuilding on the same property. The fit up includes insulating the structure, adding shelving, lighting and heat. The budget also includes \$10,000 in working capital for equipment purchases and expenses related to the move.

Interest Rate: 6.50%

Term: 60 months

Collateral: First lien on all business assets of Alula Woodworks, including furniture, fixtures, and equipment, a forklift, and inventory; personal guaranties of Sean Casey and Katherine Kappes

Jobs: Project will create 1 PT job in the first year, and retain 1 FT job