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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 January 22, 2019 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: January 15, 2019

Sarah Sterling

Secretary, Columbia Economic Development Corporation

CEDC Loan Committee

Chairman:

Members:

Rick Bianchi

Tony Jones

John Lee

Bob Sherwood

Brian Stickles

1. Minutes, December 11, 2018*
2. Portfolio Review
 - a. Monthly Loan Report*
3. Loan Requests
 - a. Minna Goods LLC.*
4. Loan Program Business Plan
5. Loan Software
6. Public Comment

Attachments:

Draft December 11, 2018 minutes

Loan Report

Loan Requests:

Minna Goods LLC

* Requires Approval



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MINUTES COLUMBIA ECONOMIC DEVELOPMENT CORPORATION LOAN COMMITTEE

Tuesday, December 11, 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 December 13, 2018. Robert Sherwood, Acting-Chairman, called the meeting to order at 8:32 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 | 8:34am |
| Tony Jones | Committee Member | Present | |
| Brian Stickle | Committee Member/Alternate | Present | |
| F. Michael Tucker | President/CEO | Present | |
| Andy Howard | CEDC Attorney | Present | 8:35am |
| Martha Lane | Business Development Specialist | Present | |
| Erin McNary | Bookkeeper | Present | |
| Edward Stiffler | Economic Developer | Present | |
| Carol Wilber | Marketing Director | Present | |
| Lisa Drahushuk | Administrative Supervisor | Present | |
| Kayla Duntz | CEDC Intern | Present | 8:41am |

Minutes:

Mr. Lee made a motion, seconded by Mr. Stickle to approve the minutes of the November 13, 2018 meeting. Carried.

Portfolio Review:

Mr. Tucker stated Mr. Calcagno was behind in payments, but all other were current. Ms. Lane noted the Hudson River Laundress had brought in a payment for their charged off loan and planned on paying in full over time. The portfolio report was recommended to the full board.

Loan Request:

Serenity Wellness Centre Day Spa:

Ms. Lane stated the request was for \$4,500 in SBA funds to be used for marketing, inventory and working capital. The interest rate was 7% with a term of 36 months. She stated technical assistance had been provided for a marketing plan. *Mr. Stickle made a motion, seconded by Mr. Lee to approve the funding as outlined by Ms. Lane. Carried.*



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Loan Program Business Plan:

Mr. Tucker stated he had met with Brian Zweig regarding the business plan. He stated the DownHome software purchase had been initiated, and a meeting had been held with a certified Quickbooks consultant, a representative from Pattison, Koskey, Howe and Bucci CPA's, Ms. McNary and himself. He noted there were some issues regarding the download of data from Quickbooks to the DownHome system, but felt they could be overcome without a great deal of trouble. He stated the estimate for the data transfer was \$2,500, but noted an intern would be able to enter the information in the system. Mr. Sherwood suggested the old loan information could be handled by carrying over only the balance, history of late payments and the terms.

Other Business:

Mr. Tucker informed the Committee the SBA had given CEDC a great review. He reminded the Committee that the remaining \$150,000 of SBA money had been drawn down by to CEDC. He stated CEDC paid off one SBA note, freeing up \$22,500 in reserve funds to meet the 15% loan loss reserve requirement for the \$150,000.

Ms. Lane informed the Committee the Excelsior Growth Fund which offers SBA loans had been promoting their loans with a 9.25%. Mr. Tucker asked the attendees their opinion of reducing the loan rate by ¼ or ½% if they paid electronically. Mr. Sherwood noted the auto generation of additional penalties could be an issue by causing additional administrative time. He suggested surveying the current borrowers to gauge interest. MR. Tucker stated there were several loan clients who paid in cash. Mr. Sherwood asked the timeline of the new software going live. Mr. Tucker stated it could be ready by January 1, 2019.

Mr. Jones asked if there were any loans in the pipeline. Ms. Lane stated she had several which were on hold, but none that would be ready to proceed in the near term. He suggested a monthly feature in the newsletter.

Loan Committee Evaluation Review:

Mr. Lee made a motion, seconded by Mr. Stickles to approve the 2018 Loan Committee evaluation. Carried.

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 8:55 a.m.

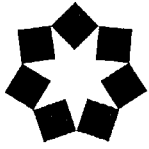
Respectfully submitted by Lisa Draushuk

CEDC LOAN STATUS REPORT

| 12/31/2018 | | 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 | Hudson | MICRO | \$35,000 | 04/13/16 | 17,855.00 | 6 | 7.00% | \$693.04 | 13 | | 11/19/18 | 04/13/21 |
| ACW MILLWORK & CABINETRY | Claverack | MICRO | \$25,000 | 06/20/18 | 23,292.00 | 6 | 7.00% | \$426.23 | 20 | | 12/17/18 | 06/20/24 |
| ALULA WOODWORKS | Claverack | MICRO | \$13,350 | 05/24/18 | 12,004.00 | 5 | 6.50% | \$261.21 | 24 | | 12/21/18 | 05/24/23 |
| BEHIDA DOLIC MILLINERY | Hudson | MICRO | \$15,000 | 04/23/18 | 13,270.00 | 5 | 6.50% | \$293.49 | 23 | | 12/03/18 | 04/23/23 |
| BROWN'S CAR SALES, LLC | Stockport | MICRO | \$12,500 | 09/08/17 | 9,961.00 | 5 | 7.00% | \$247.51 | 31 | | 11/09/18 | 09/08/22 |
| EAST CHATHAM FOOD CO | Canaan | MICRO | \$20,000 | 08/04/16 | 11,232.00 | 5 | 7.25% | \$398.39 | 4 | | 12/03/18 | 08/04/21 |
| EZ FOODS #3 | Earlton-Greene | MICRO | \$9,000 | 08/31/16 | 2,928.00 | 3 | 7.25% | \$278.75 | 31 | | 10/01/18 | 08/30/19 |
| BLACK FOREST FLAMMKUCHEN | Kinderhook | MICRO | \$23,000 | 05/27/14 | 2,262.00 | 5 | 7.50% | \$460.87 | 27 | | 12/31/18 | 05/27/19 |
| GREEN BEAUTY | Hudson | MICRO | \$5,000 | 10/19/17 | 3,318.00 | 3 | 7.25% | \$154.96 | 19 | | 11/19/18 | 10/19/21 |
| G.G.&G. FLOWER COMPANY | Hudson | MICRO | \$15,000 | 10/10/18 | 14,580.00 | 5 | 7.00% | \$297.02 | 10 | | 12/10/18 | 10/10/23 |
| GERMANTOWN LAUNDROMAT | Germantown | MICRO | \$25,000 | 09/14/18 | 24,154.00 | 6 | 5.00% | \$402.68 | 14 | | 12/13/18 | 09/14/24 |
| FAHARI BAZAR | Chatham | MICRO | \$15,000 | 02/08/18 | 12,210.00 | 4 | 7.00% | \$359.26 | 8 | | 12/06/18 | 02/08/22 |
| HUDSON ATHENS RETAIL | Hudson | MICRO | \$25,000 | 09/13/17 | 20,506.00 | 13 | 6.00% | \$414.32 | 13 | | 12/18/18 | 09/13/23 |
| HUDSON CLOTHIER #2 | Hudson | MICRO | \$25,000 | 05/18/18 | 22,973.00 | 6 | 6.50% | \$420.25 | 18 | | 12/12/18 | 05/17/24 |
| HUDSON CHATHAM WINERY | Ghent | MICRO | \$20,500 | 08/02/13 | 2,658.00 | 6 | 6.00% | \$339.74 | 2 | | 12/31/18 | 08/02/19 |
| J. SWARTZ ENGINE REPAIR #2 | Ghent | MICRO | \$10,000 | 04/08/15 | 4,122.00 | 5 | 7.75% | \$201.57 | 8 | | 12/20/18 | 04/08/20 |
| JEM WOODWORKING #2 | Ghent | MICRO | \$25,000 | 06/01/15 | 11,791.00 | 6 | 7.50% | \$432.25 | 1 | | 12/06/18 | 06/01/21 |
| KARYNQUILTS | CHATHAM | MICRO | \$12,000 | 11/27/18 | 11,783.00 | 48 | 7.00% | \$287.35 | 27 | | 12/17/18 | 11/27/22 |
| NICK JENNINGS | Kinderhook | MICRO | \$5,000 | 04/13/17 | 3,523.00 | 5 | 7.00% | \$99.01 | 13 | | 12/28/18 | 04/13/22 |
| OAK PIZZERIA NAPOLETANA | Hudson | MICRO | \$25,000 | 05/11/16 | 12,793.00 | 5 | 7.25% | \$497.98 | 11 | | 11/01/18 | 05/11/21 |
| OLDE HUDSON, LLC | Hudson | MICRO | \$35,000 | 12/02/15 | 19,519.00 | 6 | 7.75% | \$609.40 | 2 | | 12/13/18 | 12/02/21 |
| PARR INABAR CORPORATION | Hudson | MICRO | \$15,000 | 04/23/13 | 969.00 | 6 | 7.00% | \$255.74 | 23 | | 12/19/18 | 04/23/19 |
| PRIMITIVE TWIG #2 | Catskill-Greene | MICRO | \$9,277 | 02/08/18 | 6,754.00 | 3 | 7.00% | \$286.47 | 8 | | 02/08/21 | 02/08/21 |
| TALBOTT, ARDING & CO. | Hudson | MICRO | \$25,000 | 03/31/16 | 14,870.00 | 6 | 7.25% | \$428.84 | 30 | | 12/03/18 | 03/30/22 |
| RCKHOUNDZZ | Germantown | MICRO | \$2,000 | 09/28/17 | 1,211.00 | 3 | 7.00% | \$61.75 | 28 | | 12/28/18 | 09/28/20 |
| RONNYBROOK | Ancram | MICRO | \$25,000 | 02/06/14 | 5,777.00 | 6 | 7.50% | \$432.25 | 6 | | 12/10/18 | 02/06/20 |
| SERENITY WELLNESS | Elizaville | MICRO | \$4,500 | 12/13/18 | 4,500.00 | 3 | 7.00% | \$136.95 | 13 | | 01/00/00 | 12/13/21 |
| SUH6 ENTERPRISES, LLC | Copake | MICRO | \$25,000 | 10/13/17 | 20,922.00 | 6 | 7.00% | \$426.23 | 6 | | 12/14/18 | 10/13/23 |
| STATE 11 DISTILLERY | Claverack | MICRO | \$25,000 | 02/24/17 | 18,475.00 | 6 | 7.25% | \$429.23 | 6 | | 11/30/18 | 02/24/23 |
| 2 DUKES & A PRINCESS | Chatham | MICRO | \$25,000 | 03/28/18 | 22,417.00 | 6 | 7.00% | \$426.23 | 28 | | 12/31/18 | 03/28/24 |
| WANDERING FOOL | Livingston | MICRO | \$25,000 | 06/28/18 | 23,293.00 | 7 | 7.00% | \$426.23 | 28 | | 12/13/18 | 06/28/24 |
| VERDIGRIS TEA | Catskill-Greene | MICRO | \$50,000 | 09/09/15 | 15,480.00 | 6 | 7.75% | \$522.34 | 9 | | 12/10/18 | 09/09/21 |
| | | | \$ 606,127.00 | | \$ 391,401.00 | | | \$ 11,409.54 | | | | |
| Current Total | | | \$1,579,141.44 | | \$1,033,316.00 | | | \$23,794.78 | | | | |

CEDC LOAN STATUS REPORT

| RECIPIENT | Town | 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 |
|-----------------------------|------------|-----------|-------------------|-------------------|--------------|------------|---------------|-----------------|---------|------------------|-----------|-------------|
| | | | | | | | | | | | | |
| LOAN FUND 12/31/18 | | | | | | | | | | | | |
| BROWN'S CAR SALES, LLC | Stockport | CDBG | \$12,500 | 09/08/17 | 9,909.00 | 5 | 6.00% | \$241.66 | 31 | | 11/09/18 | 09/06/22 |
| ACW MILLWORK & CABINETRY | Claverack | CDBG | \$50,000 | 06/20/18 | 46,978.00 | 7 | 5.00% | \$706.70 | 20 | | 12/17/18 | 06/20/24 |
| ALULA WOODWORKS | Claverack | CDBG | \$13,350 | 05/24/18 | 12,004.00 | 5 | 6.50% | \$261.21 | 24 | | 12/21/18 | 05/24/23 |
| BRIGID DORSEY, LES COLLINES | Hillsdale | CDBG | \$14,222 | 03/21/18 | 12,351.00 | 5 | 6.00% | \$274.96 | 21 | | 12/10/18 | 03/21/23 |
| EAST CHATHAM FOODS | Canaan | CDBG | \$15,000 | 08/04/16 | 8,424.00 | 5 | 7.25% | \$298.79 | 4 | | 12/03/18 | 08/04/21 |
| GERMANTOWN LAUNDROMAT, LLC | Germantown | CDBG | \$25,000 | 09/14/18 | 24,101.00 | 6 | 5.00% | \$402.68 | 14 | | 12/13/18 | 09/14/24 |
| G.G. & G FLOWER COMPANY | Hudson | CDBG | \$15,000 | 10/10/18 | 14,558.00 | 5 | 5.00% | \$283.07 | 10 | | 12/10/18 | 10/10/23 |
| HUDSON CHATHAM WINERY LF | Ghent | CDBG | \$32,045 | 08/02/13 | 3,852.00 | 6 | 3.00% | \$486.88 | 2 | | 12/31/18 | 08/02/19 |
| HUDSON ATHENS RETAIL | Hudson | CDBG | \$25,000 | 09/13/17 | 20,390.00 | 6 | 5.00% | \$402.62 | 13 | | 12/18/18 | 09/13/23 |
| HUDSON CRUISES, INC. | Hudson | CDBG | \$50,000 | 06/15/14 | 43,928.00 | 10 | 7.00% | \$387.65 | 15 | | 12/12/18 | 06/15/24 |
| J.E.M. WOODWORKING #2 | Ghent | CDBG | \$32,067 | 06/01/15 | 14,889.00 | 6 | 6.50% | \$539.04 | 1 | | 12/06/18 | 06/01/21 |
| LINDA MARRISH (THE POND) | Ancram | CDBG | \$100,000 | 10/13/17 | 95,204.00 | 10 | 5.00% | \$750.00 | 13 | | 12/28/18 | 10/13/27 |
| MARIOS HOME CENTER | Kinderhook | CDBG | \$100,000 | 10/01/09 | 8,305.00 | 10 | 2.25% | \$931.37 | 1 | | 11/28/18 | 10/01/19 |
| OLDIE HUDSON | Hudson | CDBG | \$40,000 | 12/02/15 | 22,307.00 | 6 | 7.75% | \$696.46 | 2 | | 12/13/18 | 10/01/19 |
| NICK JENNINGS | Kinderhook | CDBG | \$10,000 | 04/13/17 | 6,979.00 | 5 | 6.00% | \$193.33 | 13 | | 12/28/18 | 03/15/23 |
| OLD KLAVERACK BREWERY | Claverack | CDBG | \$15,132 | 09/15/18 | 14,168.00 | 15 | 7.25% | \$324.20 | 1 | | 03/15/23 | 07/01/22 |
| PAUL CALCAGNO | Kinderhook | CDBG | \$60,000 | 12/15/14 | 13,090.00 | 2 | 7.00% | \$1,232.02 | 15 | \$2,464.00 | 12/31/18 | 09/25/19 |
| PARR INABAR CORP. | Hudson | CDBG | \$35,000 | 04/23/13 | 2,302.00 | 6 | 7.00% | \$596.72 | 23 | | 12/19/18 | 04/23/19 |
| RONNYBROOK | Ancram | CDBG | \$25,000 | 02/06/14 | 5,777.00 | 7 | 7.50% | \$432.25 | 6 | | 12/10/18 | 03/06/20 |
| SUH6 ENTERPRISES, LLC | Copake | CDBG | \$25,000 | 10/13/17 | 20,707.00 | 6 | 5.00% | \$402.62 | 13 | | 12/14/18 | 10/13/23 |
| STATE 11 DISTILLERY | Claverack | CDBG | \$25,000 | 02/24/17 | 18,175.00 | 6 | 5.25% | \$405.53 | 24 | | 11/30/18 | 02/24/23 |
| PHOENIX SERVICES | Greenport | CDBG | \$128,698 | 05/01/15 | 103,057.00 | 15 | 5.00% | \$1,017.74 | 1 | | 12/06/18 | 05/01/30 |
| 2 DUKES & A PRINCESS | Chatham | CDBG | \$25,000 | 03/28/18 | 22,269.00 | 6 | 5.00% | \$402.62 | 28 | | 12/31/18 | 03/28/24 |
| WANDERING FOOL | Livingston | CDBG | \$25,000 | 06/28/18 | 23,191.00 | 6 | 5.00% | \$402.62 | 28 | | 12/13/18 | 06/28/24 |
| 41 CROSS STREET HOSPITALITY | Hudson | CDBG | \$75,000 | 12/13/17 | 75,000.00 | 13 | 5.00% | \$312.50 | 13 | | 11/13/18 | 06/13/26 |
| TOTAL | | | \$973,014.44 | | \$641,915.00 | | | \$12,385.24 | | \$2,464.00 | | |
| ANGELLO'S DISTRIBUTING | Clermont | SC | \$100,000 | 01/01/06 | 27,062.00 | 15 | 6.00% | \$843.86 | 1 | | 12/26/18 | 01/01/21 |
| HUDSON VALLEY CREAMERY 184 | Livingston | SC | \$184,000 | 05/01/12 | 10,295.00 | 7 | 5.00% | \$2,600.64 | 1 | | 11/19/18 | 05/01/19 |
| HUDSON VALLEY CREAMERY | Livingston | CDBG | \$100,000 | 01/01/12 | - | 7 | 5.00% | \$1,413.89 | 1 | | 11/19/18 | 01/01/19 |
| TOTAL | | | \$384,000 | | \$37,347.00 | | | \$4,858.39 | | | | |



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Columbia Economic Development Corporation

MEMORANDUM

TO: CEDC Loan Committee

FROM: Martha E. Lane, Business Development Specialist

RE: Loan Request

DATE: January 17, 2019

Applicant: Minna Goods LLC
421 Warren Street
Hudson, NY 12534

Amount: \$45,000 CEDC Loan
\$25,000 SBA Microloan

Purpose: Pay down higher-interest debt, and working capital

Interest Rate: 5.00% on the CEDC Loan
7.25% on the SBA Microloan

Term: CEDC: 72 level monthly payments, fully amortized, of \$724.72
SBA: 72 level monthly payments, fully amortized, of \$429.23

Collateral: Second mortgage on personal residence; personal guaranty of the principal

Jobs: Project is expected to create 1 PT and retain 5 FT jobs