



# Choose Columbia

Columbia Economic Development Corporation

**MINUTES**  
**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION**  
**LOAN COMMITTEE**  
**Tuesday, April 16, 2019**  
**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 16, 2019. Brian Stickles, Acting-Chairman, called the meeting to order at 1:03 pm.

Attendee Name	Title	Status	Arrived/Departed
Rick Bianchi	Committee Member	Excused	
David Fingar	Committee Member	Excused	
John Lee	Committee Member	Present	
Seth Rapport	Committee Member	Present	
Bob Sherwood	Committee Member	Excused	
Sarah Sterling	Committee Member/Alternate	Present	
Brian Stickles	Committee Member/Alternate	Present	
F. Michael Tucker	President/CEO	Present	
Andy Howard	CEDC Attorney	Present	
Martha Lane	Business Development Specialist	Present	
Erin McNary	Bookkeeper	Excused	
Edward Stiffler	Economic Developer	Present	
Carol Wilber	Marketing Director	Excused	
Lisa Drahushuk	Administrative Supervisor	Present	
Kayla Duntz	CEDC Intern	Present	

**Minutes:**

*Ms. Sterling made a motion, seconded by Mr. Lee to approve the minutes of the March 19, 2019 meeting. Carried.*

**Loan Request:**

**A Family Environment LLC:**

Ms. Lane presented the request from A Family Environment LLC. The request was for a \$13,500 CEDC Loan and a \$13,500 SBA loan, with an interest rate of 7.25% interest on both loans, each with a term of 60 months. The loans would be used to purchase equipment including an enclosed



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trailer, asbestos disposal bags, suits and masks and working capital. The collateral proposed was a first lien on all business assets and a personal guarantee of the principals. *Mr. Lee made a motion, seconded by Ms. Sterling to approve the loan conditional upon sufficient insurance coverage and all appropriate licenses' are obtained. Carried.*

### **Abraxas Tacos LLC:**

Ms. Lane stated the request was for a \$12,500 CEDC loan and a \$12,500 SBA loan. She stated the funds would be used to purchase furniture, fixtures, equipment and working capital. The terms would be 60 months for each loan with an interest rate of 7.25% on both loans. The collateral would be personal guarantees and a lien on all business assets. *Mr. Stickles made a motion, seconded by Ms. Sterling to approve the loan as presented. Carried.*

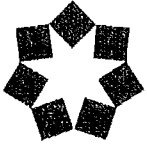
### **Hudson Development Corporation:**

Ms. Lane excused herself from the meeting. Mr. Tucker stated she had been elected to the Board of HDC and would not be present during the discussion. Mr. Tucker reminded the committee that a loan had previously been approved to acquire the CSX property for the redevelopment of the Kaz site. He noted the commitment had expired.

Mr. Tucker reviewed the current request for the Committee, noting it had been modified to a request for \$125,000 with an interest rate of 5% for 24 month term. The repayment would consist of interest only payments for 24 months with a balloon payment at the end of the term. If principal payments were to be made, the monthly interest payment and the balloon payment would be reduced on a pro-rata basis. The loan balance that remained unpaid at the end of the term would be amortized over 7 years at 5% interest.

Collateral would consist of a first mortgage on the CSX and the Kaz parcels, with an option of releasing the mortgage on the Kaz parcel upon the principal balance reaching \$75,000. HDC requested a loan draw in the amount of \$95,000 at the time of the CSX parcel purchase, with the balance able to be drawn down in \$10,000 increments upon written request after the loan commitment and the purchase contract are executed by CSX contingent upon outlined project costs. Six months of interest only payments would be held by CEDC as further security.

Mr. Rapport disclosed to the Committee he had recently served on the HDC Board and as President had developed the terms of the proposal with CSX. He stated the project had stalled after his leaving the organization. Ms. Sterling and Mr. Stickles stated they had also previously served on the HDC board. Mr. Tucker noted he had offered to administer HDC several years ago. The Committee discussed the request as it had been presented. *Ms. Sterling made a*



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*motion, seconded by Mr. Lee to refer the loan to the full board with the following conditions: holding twelve months of interest only payments; holding a first mortgage on the CSX and the Kaz properties until the loan is paid in full; resolve the title concern with the CSX property; reserve \$95,000 for the purchase of the property. Carried.*

## **Portfolio Review:**

Mr. Tucker stated Mr. Calcagno remained consistently a payment behind on his loan. Ms. Lane reported A Green Beauty was behind as they were currently out of the country, but would be mailing 2 checks; Fahari Bazaar was behind a month, and had just returned to the country from a buying trip. *Mr. Lee made a motion, seconded by Mr. Rapport to approve the report as presented. Carried.*

*With no other business to come before the Committee and no public comments, Mr. Lee made a motion, seconded by Ms. Sterling to adjourn the meeting. The meeting adjourned at 2:00 p.m.*

*Respectfully submitted by Lisa Draushuk*