



# Choose Columbia

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 September 17, 2019 at 1:00pm at Columbia Greene Community College Board Room, 4400 State Route 23, Hudson, NY 12534 for the purpose of discussing any matters that may be presented to the Committee for consideration.

Dated: September 10, 2019

Sarah Sterling

Secretary, Columbia Economic Development Corporation

### **CEDC Loan Committee**

#### **Chairman:**

#### **Members:**

David Fingar	Robert Sherwood
John Lee	Sarah Sterling
Seth Rapport	Brian Stickles

1. Minutes, May 14, 2019\*
2. Portfolio Review
  - a. Monthly Loan Report\*
3. HDC Update
4. Philmont Beautification Inc.
5. Loan Program Business Plan
6. Quarterly Risk Analysis
7. Loan Reserve Analysis
8. Public Comment

#### **Attachments:**

Draft May 14, 2019 minutes  
Meeting Notes August 27, 2019  
Philmont Beautification Inc.  
Portfolio Report

\* Requires Approval



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**MINUTES**  
**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION**  
**LOAN COMMITTEE**  
**Tuesday, May 14, 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 May 14, 2019. Seth Rapport, Acting-Chairman, called the meeting to order at 8:34 am.

Attendee Name	Title	Status	Arrived/Departed
Rick Bianchi	Committee Member	Excused	
David Fingar	Committee Member	Present	
John Lee	Committee Member	Present	
Seth Rapport	Committee Member	Present	
Bob Sherwood	Committee Member	Present	
Sarah Sterling	Committee Member/Alternate	Present	
Brian Stickles	Committee Member/Alternate	Excused	
F. Michael Tucker	President/CEO	Present	
Andy Howard	CEDC Attorney	Present	
Martha Lane	Business Development Specialist	Present	Departed 8:50am
Erin McNary	Bookkeeper	Present	
Edward Stiffler	Economic Developer	Present	
Carol Wilber	Marketing Director	Excused	
Lisa Draushuk	Administrative Supervisor	Present	
Kayla Duntz	CEDC Intern	Excused	
Nick Hadadd	HDC Board Member	Present	
Robert Rasner	HDC Board Member	Present	

**Minutes:**

*Ms. Sterling made a motion, seconded by Mr. Lee to approve the minutes of the April 16, 2019 meeting. Carried.*

**Portfolio Review:**

Ms. Lane reported les collines was behind, but would be mailing a payment soon; Fahari Bazaar was current; Paul Calgagno was behind but continued to pay regularly. She noted Angello’s had



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been sent a demand letter. She stated they responded stating they would begin to make regular payments this month. Mr. Tucker suggested the terms outlined in the note be reviewed. *Mr. Lee made a motion, seconded by Mr. Fingar to approve the report as presented. Carried.*

### **Loan Request:**

#### **Dirtworx:**

Ms. Lane presented the request from Dirtworx. The request was for a \$17,000 SBA loan, with an interest rate of 7.25% interest with a term of 60 months. The loan would be used to purchase a truck with a plow and pay off a loan on a lawn mower. The collateral would consist of the title to the truck and a personal guarantee of the principal. *Mr. Fingar made a motion, seconded by Mr. Sherwood to approve the loan. Carried.*

#### **Germantown Beer Farm LTD:**

Ms. Lane stated the request was for a \$30,000 CEDC loan and a \$30,000 SBA loan. She stated the funds would be used to purchase materials, equipment and supplies as well as working capital. The terms would be 72 months for each loan with an interest rate of 5.00% on the CEDC loan and 7.00% on the SBA loan. The collateral would be personal guarantees and a lien on all business assets excluding John Deere equipment. *Mr. Lee made a motion, seconded by Mr. Fingar to approve the loan as presented. Carried.*

#### **Hudson Development Corporation:**

Ms. Lane excused herself from the meeting. Mr. Tucker reminded the committee she was a board member of HDC and would not be present during the discussion.

Mr. Tucker reminded the Committee they had recommended a loan in the amount of \$125,000, 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. He stated prior to the full board meeting on April 23<sup>rd</sup>, HDC had requested the loan be pulled from the agenda due to further input from CSX.

Mr. Tucker asked Mr. Rasner to outline the new request from HDC to the Loan Committee. Mr. Rasner stated after the April Loan Committee meeting CSX had called him and informed him they had received several other bids for the property, all in excess of the amount HDC had proposed. CSX proposed a counteroffer to HDC in the amount of \$175,000. CSX had forwarded a signed contract for that amount to HDC. Mr. Rasner stated the contract had a deadline of May 31<sup>st</sup> 2019.



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Mr. Rasner stated in response to CSX's contract, HDC was increasing their loan request to \$200,000.

Mr. Lee made a motion, seconded by Mr. Fingar, to recommend to the full board approval of a three (3) year, 5% interest only, \$200,000 loan with a balloon payment, to Hudson Development Corporation, with the following conditions: holding twelve months of interest only payments in a Debt Reserve Account; 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 175,000 for the purchase of the property. Carried.

*With no other business to come before the Committee and no public comments, Mr. Fingar made a motion, seconded by Mr. Lee to adjourn the meeting. The meeting adjourned at 9:40 a.m.*

*Respectfully submitted by Lisa Drahushuk*



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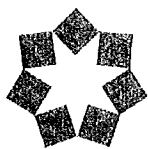
**Meeting Notes**  
**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION**  
**LOAN COMMITTEE**  
**Tuesday, August 27, 2019**  
**4303 Route 9**  
**Hudson, New York**

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 August 27, 2019. Seth Rapport, Acting-Chairman, called the meeting to order at 8:20 am, noting there was no quorum.

Attendee Name	Title	Status	Arrived/Departed
David Fingar	Committee Member	Present	
John Lee	Committee Member	Excused	
Seth Rapport	Committee Member	Present	
Bob Sherwood	Committee Member	Excused	
Sarah Sterling	Committee Member/Alternate	Present	
Brian Stickles	Committee Member/Alternate	Excused	
F. Michael Tucker	President/CEO	Present	
Andy Howard	CEDC Attorney	Excused	
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	
Kayla Duntz	CEDC Intern	Excused	
Richard Scalera	CEDC Board Member	Present	
Gary Spielmann	CEDC Board Member	Present	
Carlee Drummer	CEDC Board Member	Present	
Richard Cummings	CEDC Board Member	Present	8:23am/
Linda Mussmann	Supervisor, City of Hudson	Present	
Stephanie Sussman	Claverack Town Board	Present	8:28am/

**Chatham Café & Deli:**

Ms. Lane reminded the attendees that the business had closed and a repayment plan had been agreed upon. She noted payments had been received in accordance with the agreement. She noted



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she had received a request from the principal asking CEDC to release the lien on the collateral. She stated the principal owed \$34,000 on the note. A subordination was offered and refused. Mr. Tucker stated he offered to bring the subject to the Loan Committee for a decision. The Committee attendees discussed and were in agreement that the lien be maintained.

### **Hudson Development Corporation:**

Mr. Tucker gave a brief update, noting CEDC's attorney was awaiting the title report. He noted HDC was anticipating a mid-October closing. The Committee agreed that one of the conditions was HDC should become ABO compliant.

*With no quorum present, Mr. Rapport closed the meeting.* The meeting closed at 8:30 a.m.

*Respectfully submitted by Lisa Drahushuk*

Trial Balance Report for SBA Loan Fund for the Period 01/01/2019 - 08/31/2019  
 By Funding Source  
 (All transactions)

LoanID	Borrower	Close Date	Term	Rate	Loan Amount	Principal Balance	Cumulative Pmts			Latest Pmts			Periods Past Due		
							Principal	Interest	Escrow	Amount	Date	ONE	ONE+	TWO+	THREE+
Fund: SBA Loan Fund - Subfund: SBA RLF-03															
1240-24a	D/Arny Smith DBA ...	09/28/2017	36 mo	7.000	2,000.00	763.67	447.64	46.36	61.75	08/28/2019					
1240-13a	East Chatham Food ...	08/04/2016	60 mo	7.250	20,000.00	11,231.51	67.86	11,299.37	02/11/2019						
1240-18a	EZ Foods of North...	08/31/2016	36 mo	7.250	9,000.00	1,955.52	972.05	146.70	278.75	07/15/2019					
1240-08a	J.E.M. Woodworkin...	06/01/2015	72 mo	7.500	25,000.00	11,791.09	541.94	9,739.49	08/07/2019						
1240-20a	Stale 11 Distille...	02/24/2017	72 mo	7.250	25,000.00	15,211.66	3,263.85	1,028.45	429.23	08/22/2019					
SBA Loan Fund - SBA RLF-03: 5 loans															
					81,000.00	17,990.85	27,706.14	1,831.31	21,808.59						
Fund: SBA Loan Fund - Subfund: SBA RLF-04															
1245-22a	A Green Beauty	10/18/2017	36 mo	7.250	5,000.00	2,083.73	1,234.39	160.25	154.96	08/06/2019					
1245-21a	Brown's Car Sales...	09/08/2017	60 mo	7.000	12,500.00	8,216.81	1,744.00	483.77	485.02	08/05/2019					
1245-05a	Dyson, Inc.	07/30/2013	72 mo	6.000	20,500.00	2,658.12	2,583.41	88.70	339.74	08/12/2019					
1245-23a	Hudson-Athens Ret...	09/13/2017	72 mo	6.000	25,000.00	17,921.55	2,583.41	731.15	414.32	07/22/2019					
1245-24a	Hudson Clothier	05/17/2018	72 mo	6.500	25,000.00	20,561.63	2,411.83	950.17	420.25	08/26/2019					
1245-18a	Nick Jennings LLC	04/13/2017	60 mo	7.000	5,000.00	2,882.30	640.65	151.43	99.01	08/22/2019					
1245-11a	Par Inabar Corp	04/23/2013	72 mo	7.000	15,000.00	969.42	969.42	14.00	216.20	04/23/2019					
1245-12a	Romybrook Farm D...	02/06/2014	72 mo	7.500	25,000.00	2,537.94	3,239.34	218.66	432.25	08/15/2019					
SBA Loan Fund - SBA RLF-04: 8 loans															
					133,000.00	54,203.96	15,481.16	2,778.13	2,571.75						
Fund: SBA Loan Fund - Subfund: SBA RLF-05															
1250-25a	ACW Millwork & Ca...	06/20/2018	72 mo	7.000	25,000.00	20,900.20	2,392.69	1,017.15	426.23	08/22/2019					
1250-01a	Basillica Industr...	04/13/2016	60 mo	7.000	35,000.00	13,047.09	4,808.37	735.95	693.04	08/22/2019					
1250-02a	Black Forest Farm...	05/27/2014	60 mo	7.500	23,000.00	2,261.96	2,261.96	42.60	461.08	05/27/2019					
1250-26a	Germantown Laundr...	09/14/2018	72 mo	7.000	25,000.00	21,823.18	2,330.47	1,080.01	426.31	08/12/2019					
1250-27a	G.G. & G. Flower ...	10/10/2018	60 mo	7.000	15,000.00	12,831.54	1,748.20	627.96	297.02	08/12/2019					
1250-05a	Jim's Small Engrin...	04/08/2015	60 mo	7.750	10,000.00	2,702.56	1,418.95	223.85	211.65	08/27/2019					
1250-24a	Oak Pizzeria Napo...	05/11/2016	60 mo	7.250	25,000.00	9,344.46	3,448.20	535.64	497.98	08/22/2019					
1250-07a	Olde Hudson, LLC	12/02/2015	72 mo	7.750	35,000.00	15,551.02	3,967.78	907.42	609.40	08/14/2019					
1250-50	Saison New York, ...	06/25/2019	48 mo	6.500	20,000.00	19,283.44	716.56	233.06	474.81	08/30/2019					
1250-10a	Talbot, Arding & ...	03/30/2016	72 mo	7.250	25,000.00	12,122.62	2,747.85	682.87	428.84	08/23/2019					
1250-12a	Vedgins Tea, LLC	09/09/2015	72 mo	7.750	30,000.00	12,010.27	3,489.33	709.39	522.34	08/07/2019					
SBA Loan Fund - SBA RLF-05: 11 loans															
					266,000.00	139,616.38	29,310.36	6,795.90	5,046.70						
Fund: SBA Loan Fund - Subfund: SBA RLF-06															
1250-17a	2 Dukes & a Princess	03/28/2018	72 mo	7.000	25,000.00	19,953.01	2,463.73	946.11	426.23	08/29/2019					
1250-35a	AbrexasTacos LLC	05/09/2019	60 mo	7.250	12,500.00	11,752.40	747.60	252.92	250.13	08/22/2019					

Trial Balance Report for SBA Loan Fund for the Period 01/01/2019 - 08/31/2019  
 By Funding Source  
 (All transactions)

LoanID	Borrower	Close Date	Term	Rate	Loan Amount	Principal Balance	Cumulative Pmts			Latest Pmts		Periods Past Due						
							Principal	Interest	Escrow	Amount	Date	ONE	ONE+	TWO+	THREE+	FO		
1250-38a	Albert Schutze, d...	05/23/2019	60 mo	7.250	17,000.00	16,593.59	406.41	272.05		339.23	08/12/2019							
1250-19a	Alvia Woodworks	05/24/2018	60 mo	6.500	13,350.00	10,391.93	1,612.32	478.56		261.21	08/23/2019							
1250-18a	Behida Dolic	04/23/2018	60 mo	6.500	15,000.00	11,462.67	1,806.86	541.06		293.56	08/26/2019							
1250-16a	Fahari Bazaar	02/07/2018	48 mo	7.000	15,000.00	10,225.16	1,994.79	533.66		360.00	08/07/2019			359.19				
1250-37a	Germantown Beer F...	06/07/2019	72 mo	7.000	30,000.00	29,848.65	151.35	362.47		513.82	08/09/2019							
1250-28a	Karyn Quills	11/27/2018	48 mo	7.000	12,000.00	9,997.58	1,785.07	513.73		287.35	08/22/2019							
1250-30	Minna Goods, LLC	02/15/2019	72 mo	7.250	25,000.00	23,275.83	1,724.17	851.21		429.23	09/14/2019							
1250-15a	Primitive Twig	02/08/2018	36 mo	7.000	9,277.61	4,626.78	2,127.06	272.94		300.00	08/14/2019							
1250-29a	Serenity Wellness...	12/13/2018	36 mo	7.000	4,500.00	3,977.88	522.12	205.78		150.00	07/25/2019			138.95			127.90	
1250-13a	SUH6 Enterprises,...	10/13/2017	72 mo	7.000	25,000.00	18,438.94	2,483.73	926.11		426.23	08/22/2019							
1250-32a	Train Time Expres...	04/19/2019	72 mo	7.250	22,500.00	21,532.29	967.71	581.21		387.23	08/29/2019							
1250-20a	Wandering Fool, LLC	06/28/2018	72 mo	7.000	25,000.00	20,917.35	2,375.54	1,034.30		426.23	08/26/2019							
1250-31a	Willie's Bakery Ca...	04/17/2019	72 mo	7.000	30,000.00	28,718.25	1,281.75	764.13		511.47	08/30/2019			498.14			127.90	
SBA Loan Fund - SBA RLF-06: 15 loans						281,127.61	241,711.71	22,440.21	8,536.24	5,361.92			498.14				127.90	
SBA Loan Fund- 39 loans						763,127.61	453,462.90	94,937.87	19,941.58	34,790.96			498.14					127.90
Report total: 39 loans						763,127.61	453,462.90	94,937.87	19,941.58	34,790.96			498.14					127.90



Trial Balance Report for CEDC Loan Fund for the Period 01/01/2019 - 08/31/2019  
 By Funding Source  
 (All transactions)

LoanID	Borrower	Close Date	Term	Rate	Loan Amount	Principal Balance	Cumulative Pmts			Latest Pmts			Periods Past Due			
							Principal	Interest	Escrow	Amount	Date	ONE	ONE+	TWO+	THREE+	FO
Fund: CEDC Loan Fund, Subfund: CEDC-99																
1220-44	2 Dukes & a Princess	03/28/2018	72 mo	5.000	25,000.00	19,725.08	2,543.63	677.33	402.62	08/29/2019	1,080.04					
1220-41	41 Cross Street H...	12/13/2017	84 mo	5.000	75,000.00	74,252.46	747.54	1,875.00	1,060.04	08/27/2019	1,080.04					
1220-60	AbraxasTacos LLC	05/09/2019	60 mo	7.250	12,500.00	11,745.28	754.72	245.80	250.13	08/19/2019						
1220-45	ACW Millwork & Ca...	06/20/2018	84 mo	5.000	50,000.00	42,808.15	4,169.61	1,483.87	706.70	08/19/2019						
1220-47	Alula Woodworks	05/24/2018	60 mo	6.500	13,350.00	10,379.18	1,624.66	465.81	261.21	08/29/2019						
1220-40	Brown's Car Sales...	09/08/2017	60 mo	6.000	12,500.00	8,145.55	1,763.04	411.90	483.32	08/05/2019						
1220-06	Dyson, Inc.	09/02/2013	72 mo	3.000	32,045.12	3,851.83	3,851.83	43.21	486.88	08/14/2019						
1220-33	East Chatham Food...	08/04/2016	60 mo	7.250	15,000.00	8,423.71	8,423.71	50.90	8,474.61	02/08/2019						
1220-66	Germentown Beer F...	06/07/2019	72 mo	5.000	30,000.00	29,774.16	225.84	258.90	484.74	08/09/2019						
1220-47b	Germentown Laundr...	09/14/2018	72 mo	5.000	25,000.00	21,639.14	2,461.58	759.86	402.68	08/12/2019						
1220-49	G.G. & G. Flower ...	10/10/2018	60 mo	5.000	15,000.00	12,742.86	1,815.08	449.48	283.07	08/12/2019						
1220-50	Hudson-Althens Rel...	09/13/2017	72 mo	5.000	25,000.00	17,774.52	2,615.73	607.23	402.62	07/22/2019						
1220-09	Hudson Cycles, Inc.	06/15/2014	240 mo	7.000	50,000.00	42,855.38	1,072.92	2,028.28	387.65	08/06/2019						
1220-10	J.E.M. Woodworkin...	06/01/2015	72 mo	6.500	32,066.98	14,888.83	1,485.29	656.85	12,311.44	08/07/2019						
1220-37	Les Collines	03/21/2018	60 mo	6.000	14,222.33	10,865.27	1,485.29	439.43	274.96	08/12/2019						
1220-13	Marjo's Home Center	10/01/2009	120 mo	2.250	100,000.00	1,828.18	6,476.61	67.98	931.37	08/29/2019						
1220-51	Mirna Goods, LLC	02/15/2019	72 mo	5.000	45,000.00	41,721.42	3,278.58	1,069.74	724.72	08/14/2019						
1220-54	Miracle Springs F...	05/01/2019	84 mo	5.000	100,000.00	100,000.00		1,250.01	416.67	08/06/2019						
1220-36	Nick Jennings LLC	04/13/2017	60 mo	6.000	10,000.00	5,670.86	1,308.24	238.40	193.33	08/22/2019						
1220-16	Older Hudson, LLC	12/02/2015	72 mo	7.750	40,000.00	17,772.61	4,534.47	1,037.21	696.46	08/14/2019						
1220-48	Old Kavanack Bre...	08/15/2018	60 mo	7.250	15,132.44	12,467.24	1,700.63	568.77	324.20	08/08/2019						
1220-19	Par Inhaber Corp	04/23/2013	72 mo	7.000	35,000.00	2,302.06	2,302.06	33.86	545.76	04/25/2019						
1220-18	Paul Calcagno, Jr...	12/15/2014	42 mo	7.000	60,000.00	4,944.99	8,144.85	479.29	1,257.02	08/12/2019						
1220-21	Phoenix Services ...	05/01/2015	180 mo	5.000	128,698.92	93,196.87	9,859.78	3,282.14	1,017.74	08/19/2019						
1220-22	Romybrook Farm D...	02/06/2014	72 mo	7.500	25,000.00	2,560.45	3,216.83	241.17	432.25	08/15/2019						
1220-35	State 11 Distille...	02/24/2017	72 mo	5.250	25,000.00	14,811.32	3,365.08	690.22	405.63	08/22/2019						
1220-43	SUH6 Enterprises,...	10/13/2017	72 mo	5.000	25,000.00	18,110.02	2,596.57	624.99	402.82	08/19/2019						
1220-12	The Pond Restaurant	10/13/2017	120 mo	5.000	100,000.00	92,700.48	2,504.33	2,746.67	750.00	07/31/2019						
1220-53	Train Time Expres...	04/19/2019	72 mo	7.250	22,500.00	21,532.29	967.71	581.21	387.23	08/29/2019						
1220-46	Wandering Fool, LLC	06/28/2018	72 mo	5.000	25,000.00	20,684.06	2,506.46	714.50	402.62	08/26/2019						
1220-52	Willis's Bakery Ca...	04/17/2019	72 mo	5.000	30,000.00	28,612.36	1,387.64	544.96	483.15	08/30/2019						
CEDC Loan Fund - CEDC-01 - 31 loans					1,213,015.79	779,320.76	102,593.85	24,623.97	36,043.54	1,095.66	1,213.31	1,232.02	1,232.02	1,232.02		
CEDC Loan Fund - 31 loans					1,213,015.79	779,320.76	102,593.85	24,623.97	36,043.54	1,095.66	1,213.31	1,232.02	1,232.02	1,232.02		
Report total: 31 loans					1,213,015.79	779,320.76	102,593.85	24,623.97	36,043.54	1,095.66	1,213.31	1,232.02	1,232.02	1,232.02		



# Choose Columbia

Columbia Economic Development Corporation

## MEMORANDUM

**TO:** CEDC Loan Committee

**FROM:** Martha E. Lane, Business Development Specialist

**RE:** Loan Request

**DATE:** September 10, 2019

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**Applicant:** Philmont Beautification, Inc.  
113 Main Street  
PO Box 1072  
Philmont, NY 12565

**Amount:** \$25,000 CEDC Loan

**Project:** Applicant has been awarded a \$25,000 USDA Rural Business Development grant to develop a Downtown Revitalization plan. PB Inc. is seeking capital from CEDC to engage the community, pay staff, and hire consultants. Once the project is complete and reimbursement is received from USDA, PB Inc. will repay the CEDC loan in full.

**Purpose:** Loan proceeds will be used to pay for technical assistance, which will be provided by PB Inc. staff and outside consultants

**Interest Rate:** 3.00%; with payments of both principal and interest deferred until December 31, 2020. Interest through that date will be forgiven upon repayment of the loan.

**Term:** 18 months

**Collateral:** Account at Bank of Greene County, which will provide a control deposit letter stating the bank has irrevocable authorization from PB Inc. to freeze withdrawals from the account and pay funds deposited therein to CEDC.

**Jobs:** Project is not expected to create or retain jobs.