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Columbia Economic Development Corporation

Meeting Minutes
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
LOAN COMMITTEE
Wednesday, March 25, 2020
One Hudson City Centre, Suite 301
Hudson, New York

A regularly scheduled meeting of Columbia Economic Development Corporation’s (CEDC) Loan Committee meeting was held via conference call due to the COVID-19 outbreak, on March 25, 2020. Mr. Lee, Acting-Chairman, called the meeting to order at 8:31am.

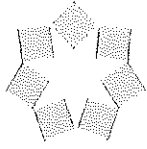
Attendee Name	Title	Status	Arrived
David Fingar	Committee Member	Present via phone	
John Lee	Committee Member	Present via phone	
Kenneth Leggett	Committee Member	Present via phone	
Seth Rapport	Committee Member	Excused	
Sarah Sterling	Committee Member	Present via phone	
Brian Stickles	Committee Member/Alternate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

Minutes:

Mr. Lee asked for any questions or changes to the minutes of January 22, 2020. *Ms. Sterling made a motion, seconded by Mr. Fingar to approve the minutes as presented. Carried.*

Portfolio Review:

Mr. Tucker stated the report was clean. He stated Ms. Lane had reached out to the loan clients a week ago to communicate with them due to the pandemic . *Ms. Sterling made a motion, seconded by Mr. Fingar to recommend approval of the portfolio review to the full board. Carried.*



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KT Hair Studio LLC Loan Request:

Ms. Lane stated the request was for a \$19,000 microloan to be used for working capital, purchase equipment and pay for the space buildout. Ms. Lane proposed an interest rate of 7% over a seven year term. She stated \$5,000 would be provided to the principal at closing with the remainder to be drawn down as needed. Collateral would include a first lien on all business assets and accounts receivables.

Ms. Lane stated the salon had just opened when the Governor announced all non-essential businesses must be closed. Mr. Tucker stated he had received a determination from Empire State Development that a business could remain open if it was a one person business. Ms. Sterling asked if rate being offered should be lowered due to the new SBA loan being considered as part of the response to the pandemic. *Mr. Fingar made a motion, seconded by Mr. Leggett to approve the loan as outlined with the interest rate conditioned upon the SBA directed rates. Carried.*

State 11 Distillery:

Ms. Lane stated the business had a previous loan with CEDC that had paid off in 2019. She stated they were seeking a \$24,000 loan at 4% for a 6 year term. She noted CEDC currently had a second mortgage on the property and she would obtain 3 guarantees for the new loan. *Ms. Sterling made a motion, seconded by Mr. Leggett to approve the loan as presented. Carried.*

Hudson Home:

Ms. Lane stated the business was a longtime client who had applied for SBA disaster funds and was seeking \$24,000 to carry them through until the funding was received. The loan would have a 72 month term and an interest rate of 3.75%. The collateral would consist of a second mortgage and a lien on all business assets. *Ms. Sterling made a motion, seconded by Mr. Fingar to recommend the loan as presented to the full board. Carried.*

Ms. Lane stated she had received a call from one of the principals of Train Time Express. Both the principals had been laid off due to the pandemic. She stated she had given the principals a payment deferment. Ms. Lane and Mr. Tucker provided an update on the Abraxas Tacos loan to the Committee.

Mr. Tucker outlined the proposed "Swift Loan" Program to the Committee. He noted the program mimicked the Community Loan Fund program. He stated \$250,000 would be set aside for loans \$15,000 limit for terms of 5-7 years. The criteria would include credit score of 575-600 and personal guarantees. He noted additionally CEDC would be partnering with the Berkshire Taconic Foundation and administering a small grant program the foundation was forming.



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Mr. Tucker asked the Committee for their recommendation to full board to drawdown the available SBA funds. *Ms. Sterling made a motion, seconded by Mr. Leggett to approve the drawdown of the available \$250,000. Carried.*

Loan Deferral Policy:

Mr. Tucker stated he was waiting to see the language of the bill before any firm policy will be adopted.

With no further business, Ms. Sterling made a motion, seconded by Mr. Stickles to adjourn the meeting. Carried. The meeting adjourned at 9:25am.

Respectfully submitted by Lisa Drahushuk