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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 August 19, 2020 at 9:45am for the purpose of discussing any matters that may be presented to the Committee for consideration. This meeting will not be open to the public due to COVID-19, but they may attend and participate in the meeting via conference call. **Call in information: 800-245-9874 Access code 3180900.**

Dated: August 12, 2020
Sarah Sterling
Secretary
Columbia Economic Development Corporation
One Hudson City Centre, Suite 301, Hudson, NY 12534

CEDC Loan Committee

Chairman:

Members:

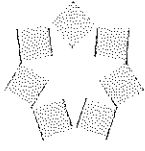
David Fingar	Seth Rapport
John Lee	Sarah Sterling
Kenneth Leggett	Brian Stickles

1. Minutes, July 22, 2020, July 28, 2020*
2. Interest Rate Adjustment*
3. Loan Deferral Status Update
4. Portfolio Review
 - a. Monthly Loan Report*
5. Talbott and Arding*
6. Old Klaverack Brewery*
7. Countryside Cleanup*
8. Public Comment

Attachments:

Draft July 22, 2020 minutes
Draft July 28, 2020 minutes
Portfolio Report
Talbott and Arding Loan Request
Old Klaverack Brewery Loan Request
Countryside Cleanup Loan Request

* Requires Approval



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Meeting Minutes
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
LOAN COMMITTEE
Wednesday, July 22, 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 July 22, 2020. Mr. Lee, Acting-Chairman, called the meeting to order at 8:30am.

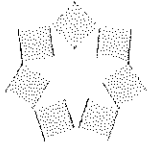
Attendee Name	Title	Status	Arrived
David Fingar	Committee Member	Present via phone	
John Lee	Committee Member	Present via phone	
Kenneth Leggett	Committee Member	Excused	
Seth Rapport	Committee Member	Present via phone	
Sarah Sterling	Committee Member	Present via phone	
Brian Stickles	Committee Member/Alternate	Excused	
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 Draushuk	Administrative Supervisor	Present via phone	
Katherine Higgins	CEDC Consultant	Excused	

Minutes:

Mr. Lee asked for any questions or changes to the minutes of March 25, 2020. *Mr. Fingar made a motion, seconded by Mr. Rapport to approve the minutes as presented. Carried.*

Loan Deferral Status Update:

Mr. Tucker stated the SBA was continuing to pay in accordance with their six month deferral program, while several clients continued to pay their loans. Mr. Fingar asked if a list could be maintained of the businesses closing during this time. Ms. Lane reviewed the loan portfolio with the committee, noting little had changed due to the continued SBA payments and the CEDC



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deferral. *Mr. Rapport made a motion, seconded by Ms. Sterling to recommend approval of the monthly loan report to the full board. Carried.*

Jackson's Loan Request:

Ms. Lane stated the request was for a total of \$50,000, with a \$35,000 SBA loan and a \$15,000 CEDC loan. The loan would be used to purchase inventory, equipment, facility build out and working capital. She stated the interest rate on both loans would be 3.75%. The first six months of the SBA loan would be paid by the SBA, with the client responsible for payments after. The term of each loan would be 72 months. She stated the security consisted of a lien on business assets and personal guarantees from both owners.

Ms. Lane reviewed the project and the related experience of the owners. The Committee discussed the option of a second position on the property. Mr. Fingar made a motion to recommend the loan as presented to the full Board. No second was offered. Mr. Lee asked if a motion would be offered to recommend the loan to the full board with the addition of adding a second position on the property behind the bank. *Ms. Sterling made the motion, seconded by Mr. Rapport to recommend the loan to the full board with security consisting of a second position on the property, a lien on all business assets and personal guarantees. The motion was carried unanimously.*

Other Business:

Mr. Tucker informed the Committee he had had discussions with Mayor Johnson of the City of Hudson regarding the Galvan donation of one million dollars for a loan program supporting minority and women and veteran businesses, initially focusing on minorities. Additionally, the Mayor has asked if CEDC would act as fund manager. Mr. Tucker stated he felt the loan fund required a technical assistance aspect, providing training and support. He stated the City had previously spoken to him about managing a training program for borrowers, utilizing funds from the DRI. Galvan has indicated they would donate an additional \$100,000 to that type of program to support their loan program.

Mr. Tucker stated adding an additional million dollars to the existing CEDC program would strengthen the fund. He is exploring the amount of that fee with other area lenders. He noted approximately \$20,000 of the grants program would be available to CEDC for an admin fee, with \$30,000 to be available to provided consultants to the clients.

He stated the Project Manager hire would be used to support Ms. Lane for 60-70 percent of the tasks with the remainder available for other projects. Mr. Rapport asked about the contracting organizations, and who they would be. Mr. Tucker stated Galvan was prepared to move forward



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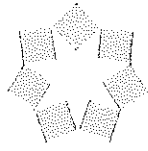
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soon with the program and stated further discussion would happen at the full Board meeting on July 28th.

Mr. Lee posed the following questions about the proposed loan and training funds: Will the contract would be with Galvan or the City of Hudson? Staffing for the additional work, will the Project Manager position be enough to handle the extra? What is the status of the program begun with Common Council (tourism projects)? Mr. Tucker stated that the loan money would have to be donated to CEDC as the City would be unable to accept the funds. He noted that many of the other projects have been temporary and staffing demands would not be great. Some of the programmatic items may need to be scaled back and duties will need to be shifted in order to follow the money. He stated grants have begun to be processed for the Tourism projects. He noted nearly 35 applications were received, with 8 – 10 approved. None of the approved projects have required an upfront supplement. He noted CEDC has a \$5,000 contract with the City allowing for 2 projects to go forward.

With no further business, Ms. Sterling made a motion, seconded by Mr. Rapport to adjourn the meeting. Carried. The meeting adjourned at 9:23am.

Respectfully submitted by Lisa Drahushuk



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Meeting Minutes
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
LOAN COMMITTEE
Tuesday, July 28, 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 July 28, 2020. Mr. Lee, Acting-Chairman, called the meeting to order at 9:43am.

Attendee Name	Title	Status	Arrived
David Fingar	Committee Member	Present via phone	
John Lee	Committee Member	Present via phone	
Kenneth Leggett	Committee Member	Excused	
Seth Rapport	Committee Member	Present via phone	
Sarah Sterling	Committee Member	Present via phone	
Brian Stickle	Committee Member/Alternate	Excused	
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	Excused	
Edward Stiffler	Economic Developer	Excused	
Carol Wilber	Marketing Director	Excused	
Lisa Drahusluk	Administrative Supervisor	Present via phone	
Katherine Higgins	CEDC Consultant	Excused	

Poured Candle Revised Request:

Ms. Lane stated the committee had earlier reviewed and approved a \$15,000 loan to Poured Candle Bar, LLC. She stated the principals notified her that that they had signed a lease and after reviewing the site, determined the space build out would be over their initial estimate, and requested an additional \$5,000. She stated this triggers a Committee approval requirement. She noted the loan increased to \$20,000, while the term remained at 60 months, the interest rate remained at 3.75%, the lien remained on all assets of Poured Candle Bar, LLC and the collateral remained the personal guarantees of the principals. She reminded the Board that the SBA would pay the first 6 months of payments on the loan. *Mr. Rapport made the motion, seconded by Mr. Fingar to approve the loan as presented. The motion was carried unanimously.*

With no further business, Ms. Sterling made a motion, seconded by Mr. Rapport to adjourn the meeting. Carried. The meeting adjourned at 9:45am.

Respectfully submitted by Lisa Drahusluk

Portfolio Summary Report for All Funds -- ACTIVE ACCOUNTS
 By Funding Source
 (All transactions)

LoanID	Borrower	Close Date	Loan Amount	Principal Balance	Cumulative Prm's		Latest Prm's		Periods Past Due																		
					Principal	Interest	Amount	Date	ONE	ONE+	TWO+	THREE+	FOUR+	FIVE+	SIX+	Days Past											
SBA Loan Fund: 40 loans														13,767.14													
Report total: 68 loans														461,412.73	181,538.18	28,870.54	274.96	986.39	274.96	274.96							

CONFIDENTIAL

TO: CEDC Loan Committee
FROM: Martha Lane, Business Development Specialist
SUBJECT: Authorization to Make a Loan and Take Related Actions
DATE: August 12, 2020

Applicant: Talbott, Arding Co. LLC,
DBA Talbott & Arding Cheese and Provisions
323 Warren Street
Hudson, NY 12534

Amount: \$58,500: \$33,500 SBA Microloan; \$25,000 CEDC Loan
(\$8,500 to pay off existing SBA Microloan; \$50,000 in new funds)

Purpose: Working Capital

Interest Rate: 3.75%

Repayment: SBA Microloan: 72 Level monthly payments, fully amortized of \$521; if the loan closes on or before September 18, 2020, for the first six (6) months of the loan term, payments of principal and interest shall be made by the Small Business Administration (SBA), thereafter, all payments of principal and interest shall be made by Borrower.

CEDC Loan: 72 Level monthly payments, fully amortized of \$389; for a period of six months, payments of principal and interest will be deferred, resulting in a six month extension of the maturity date.

Proposed Collateral: Lien on all assets of the business including furniture, fixtures and equipment, inventory, and accounts receivables

Other Security: Personal guaranty of principals

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TO: Loan Committee

FROM: Martha E. Lane, Business Development Specialist

RE: Authorization to Make a Loan and Take Related Actions

DATE: August 12, 2020

Applicant: Old Klaverack Brewery & Hop Farm LLC
Erik Bell
150 Thielman Road
Hudson, NY 12534

Amount: \$75,000: \$25,000 SBA Microloan; \$50,000 CEDC Loan
(\$11,000 to pay off existing CEDC loan; \$64,000 in new loan funds)

Purpose: Purchase fixtures, materials and supplies for farm brewery, and for working capital

Interest Rate: 3.75%

Repayment Terms: SBA Loan: 72 level monthly payments, fully amortized, of \$388; if the loan closes on or before September 18, 2020, for the first six (6) months of the loan term, payments of principal and interest shall be made by the Small Business Administration (SBA), thereafter, all payments of principal and interest shall be made by Borrower.

CEDC Loan: 72 level monthly payments, fully amortized, of \$777; for a period of six months, payments of principal and interest will be deferred, resulting in a six month extension of the maturity date.

Security: First lien on all business assets including furniture, fixtures and equipment, computers, inventory and accounts receivable

Other Security: Personal guaranty of Principal and Equity Investor

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TO: Loan Committee

FROM: Martha Lane, Business Development Specialist

SUBJECT: Authorization to Make a Loan and Take Related Actions

DATE: August 12, 2020

Applicant: Phil Geerholt, DBA Countryside Cleanup
19 Metz Road
Ghent, NY 12075

Amount: \$45,000: \$22,500 SBA Microloan; \$22,500 CEDC Loan

Purpose: Purchase of truck and trailer

Interest Rate: 3.75%

Repayment: SBA Loan: 72 level monthly payments, fully amortized, of \$350.00; if the loan closes on or before September 18, 2020, for the first six (6) months of the loan term, payments of principal and interest shall be made by the Small Business Administration (SBA), thereafter, all payments of principal and interest shall be made by Borrower.

CEDC Loan: 72 Level monthly payments, fully amortized, of \$350.00; for a period of six months, payments of principal and interest will be deferred, resulting in a six month extension of the maturity date.

Proposed Collateral: Truck and trailer to be purchased using proceeds of the loan

Other Security: Personal guaranty