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Columbia Economic Development Corporation

MINUTES
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
Tuesday, August 25, 2020
One Hudson City Centre, Suite 301
Hudson, NY 12534

Due to public health and safety concerns related to COVID-19, the Columbia Economic Development Corporation Board will not be meeting in-person. In accordance with the Governor’s Executive Order 202.1, the Tuesday, August 25, 2020 Board meeting will be held 8:30am via conference call, (call in number 1-800-245-9874 access number 3180900) and will be recorded with a transcript provided at a later date. The public will have an opportunity to hear the meeting live and provide comments. Comments can be provided via email before and during the meeting to mtucker@columbiaedc.com. Please check the meeting agenda posted on the CEDC’s website www.columbiaedc.com for further instructions to access the virtual meeting and for updated information.

A regularly scheduled meeting of the Columbia Economic Development Corporation (CEDC) Board of Directors was held via conference call due to COVID-19 on August 25, 2020. The meeting was called to order at 8:32 a.m. by David Fingar, Chair.

Attendee Name	Title	Status	Arrived/ Departed
Ruth Adams	Board Member	Excused	
Russell Bartolotta	Board Member	Excused	
Collin Brown	Board member	Present via phone	
Jim Calvin	Vice-Chair	Present via phone	
Rick Cummings	Board Member	Present via phone	
Carlee Drummer	Board Member – Ex-Officio	Excused	
David Fingar	Chair	Present via phone	
Tish Finnegan	Board Member	Excused	
Derek Grout	Board Member	Excused	
James Lapenn	Board Member	Present via phone	
John Lee	Board Member	Present via phone	
Kenneth Leggett	Board Member	Present via phone	
Eric Mortenson	Board Member	Excused	
Carmine Pierro	Board Member – Ex Officio	Excused	
Seth Rapport	Board Member	Present via phone	
Richard Scalera	Board Member – Ex Officio	Present via phone	
Gary Spielmann	Board Member	Present via phone	
Sarah Sterling	Secretary	Present via phone	
Brian Stickles	Board Member	Excused	
Andy Howard	CEDC Attorney	Present via phone	
F. Michael Tucker	President/CEO	Present via phone	
Lisa Drahushuk	Administrative Supervisor	Present via phone	
Martha Lane	Business Development Specialist	Present via phone	
Erin McNary	Bookkeeper	Present via phone	
Ed Stiffler	Economic Developer	Present via phone	
Carol Wilber	Marketing Director	Present via phone	

Minutes:

Mr. Calvin made a motion, seconded by Mr. Lapern to approve the July 28, 2020 minutes as presented. Carried.

President/CEO Report:

Mr. Tucker announced the Annual Meeting would be pushed off until October, to allow the bylaw changes to be brought through the Committee and to the full Board prior to being presented to the Members for adoption. He noted at the CREDC meeting yesterday, it was announced that there would be no funding round this year due to the reallocation of funds to COVID-19. He stated CEDC had assisted the Regional Council with a survey to be utilized for a recovery strategy for the region.

Mr. Tucker noted CEDC continued to work with the County on solar projects, broadband and the CDBG grants. He stated he continued to work on the 620 Union Street project with the City of Hudson IDA. He stated he continued to work on COVID -19 related issues and housing issues. He informed the Board the SBA had scheduled a preliminary call to their annual loan review.

Treasurer's Report:

Mr. Tucker reviewed the balance sheet and the profit and loss with the Board. *Mr. Cummings made a motion, seconded by Mr. Spielmann to approve the Treasurer's Report as presented. Carried.*

Marketing Director's Report:

Ms. Wilber stated a total of \$35,510 had been raised to date. She stated an additional 42 letters had been mailed last week, from which she anticipated receiving \$13,500.

Committee Reports:**Governance & Nominating Committee:**

Mr. Spielmann reported the Governance and Nominating Committee had interviewed two candidates for appointment to the board, Eric Mortenson and Collin Brown. Mr. Brown gave a brief overview of his background and why he wished to serve. Mr. Spielmann noted both candidates would be filling terms ending in May 2023. *Mr. Spielman made a motion, seconded by Ms. Sterling to elect Mr. Brown to the CEDC Board. Carried. Mr. Spielmann made a motion, seconded by Ms. Sterling to elect Mr. Mortenson to the CEDC Board. Carried.*

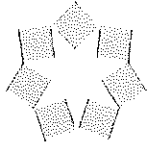
Mr. Fingar formally announced that Dr. Maria Suttmeier had resigned from the CEDC due to the added responsibilities of the COVID-19 on the school district. He reminded the Board that would leave one vacancy on the Board to be filled.

Loan Committee:**Talbott and Arding:**

Ms. Lane noted the request had been recommended by the Loan Committee and was for \$58,500; \$33,500 SBA loan and a \$25,000 CEDC loan. \$8,500 of the loan proceeds would be used to pay off the existing SBA loan. The loan funds would be used for working capital. Collateral would consist of a lien on all assets of the business including furniture and fixtures, equipment, inventory, accounts receivable and personal guarantees of the principals. The interest rate would be 3.75%. She noted the loan terms would be 6 years with the SBA making 6 months of payments if the loan closed on or prior to September 18th. CEDC would offer a deferment of 6 months, thereby extending the term an additional 6 months. Ms. Lane addressed questions about the guarantees and the project. *Mr. Lee made a motion, seconded by Mr. Spielmann to approve the loan as presented. Carried, with Ms. Sterling voting in opposition.*

Old Klaverack Brewery Loan Request:

Ms. Lane stated this loan had been recommended to the full board by the Loan Committee. Ms. Lane stated the loan request was for \$75,000, \$25,000 SBA loan and a \$50,000 CEDC loan. \$11,000 would be used to pay off the existing CEDC loan. The funds would be used to purchase fixtures, materials and supplies for the brewery as well as working capital. The interest rate would be 3.75%, with a term of 6 years. The SBA would pay six



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months of the SBA loan payments, if the loan closed before or on September 18th. The CEDC loan payments would be deferred for six months, extending the term an additional 6 months. The collateral is a first lien on all business assets as well as a personal guarantee from the principle and the equity investor. *Mr. Cummings made a motion, seconded by Ms. Sterling to approve the request as presented. Carried.*

Countryside Cleanup Loan Request:

Ms. Lane stated the request was for \$45,000, \$22,500 from the SBA and \$22,500 from CEDC. She stated the funds would be used to purchase a truck and trailer for the business. The loans would each have an interest rate of 3.75% with a term of 6 years. She noted if the SBA loan closed on or before September 18th the first six months would be paid by the SBA. The CEDC loan would be deferred for six months, extending the term by six months. Collateral would consist of the truck and the trailer as well as the principal's personal guarantee. Ms. Lane informed the Board the principal had obtained a new insurance policy earlier in the week. *Mr. Spielmann made the motion, seconded by Mr. Cummings to approve the loan as presented. Carried.*

Business Development Specialist Report:

Rapid Recovery Loans:

Ms. Lane stated she closed a total of 6 loans, noting she received an additional application late last week.

Loan Portfolio Review:

Ms. Lane stated it remains fairly unchanged due to the deferments. She noted that Old Klaverack Brewery had made a payment on their loan. *Mr. Lapenn made a motion, seconded by Mr. Leggett to approve the Portfolio Review. Carried.*

Ms. Lane informed the Board she was sitting on the advisory committee of the Albany County Business Development Corporation, who was administering a loan fund. She stated the fund had \$8 million to loan, would approve loans of \$25,000 to \$500,000, with a term of 2 – 10 years, interest rate of 1.5%, a six month deferment, no application fee and no or low closing costs. She noted those parameters have not yet been approved. She noted the loans would be available to businesses in the Capital District, including Columbia and Greene Counties.

Workforce and Education:

Mr. Lapenn stated the Committee had met and asked Ms. Wilber to provide an overview on the Junior Career Institute. Ms. Wilber outlined the progress of the project to date. Mr. Lapenn asked Ms. Wilber to outline the estimated cost of the program. Ms. Wilber stated the cost would consist of the cost of the pre-recorded videos and any end of program gift to the participants. She estimated the cost would be no more than \$1,000.

Ms. Wilber gave a brief update on the Career Jam program. She stated the program would be virtual, with both Columbia and Greene County participants. Mr. Tucker stated the target date would be in January and include 15-20 businesses from each county participating.

With no other business to be conducted, and no public comment, Mr. Leggett made a motion, seconded by Mr. Spielmann to adjourn the meeting. Carried. The meeting adjourned at 9:35am.

Respectfully submitted by Lisa Drafushuk

