



# 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 January 20, 2021 at 9:30pm for the purpose of discussing any matters that may be presented to the Committee for consideration. The meeting will be held via Zoom

Join Zoom Meeting

<https://us02web.zoom.us/j/82654811415?pwd=aUlrQ1FWUCtHWWEYvRHdCMDJLaWRsUT09>

Meeting ID: 826 5481 1415, Passcode: 185442

Dial by your location 1 929 205 6099 US (New York)

Meeting ID: 826 5481 1415

Dated: January 13, 20201

Sarah Sterling

Secretary, Columbia Economic Development Corporation

### **CEDC Loan Committee**

#### **Chairman:**

#### **Members:**

David Fingar

Seth Rapport

John Lee

Sarah Sterling

Kenneth Leggett

Brian Stickles

1. Minutes, December 16, 2020\*
2. Portfolio Review
  - a. Monthly Loan Report\*
3. 2020 Discharged Duties\*
4. Loan Committee Charter Review\*
5. ROI Digital Consulting, LLC\*
6. Hudson Roastery, LLC\*
7. WYLDE Hudson, LLC\*
8. Public Comment

#### **Attachments:**

Draft December 16, 2020 minutes

Portfolio Report

2020 Discharged Duties

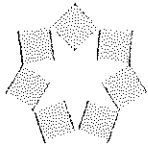
Loan Committee Charter

ROI Digital Consulting, LLC writeup

Hudson Roastery, LLC writeup

WYLDE Hudson, LLC writeup

\* Requires Approval



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**Meeting Minutes**  
**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION**  
**LOAN COMMITTEE**  
**December 16, 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 Zoom due to the COVID-19 outbreak, on December 16, 2020. Ms. Sterling, Acting- Chair, called the meeting to order at 8:35am.

Attendee Name	Title	Status	Departed
David Fingar	Committee Member	Present via Zoom	
John Lee	Committee Member	Excused	
Kenneth Leggett	Committee Member	Excused	
Seth Rapport	Committee Member	Present via Zoom	
Sarah Sterling	Committee Member	Present via Zoom	
Brian Stickle	Committee Member/Alternate	Excused	
F. Michael Tucker	President/CEO	Present via Zoom	
Andy Howard	CEDC Attorney	Present via Zoom	
Martha Lane	Business Development Specialist	Present via Zoom	
Erin McNary	Bookkeeper	Present via Zoom	
Carol Wilber	Marketing Director	Present via Zoom	
Lisa Drahushuk	Administrative Supervisor	Present via Zoom	

**Minutes:**

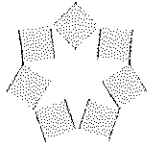
Ms. Sterling asked if there were any changes to the minutes of November 20, 2020. *With no changes, Mr. Fingar made a motion, seconded by Mr. Rapport to approve the minutes from November 20, 2020. Carried.*

**Portfolio Review:**

Ms. Lane reviewed the Portfolio Report with the Committee, noting les collines had been written off and the TrainTime SBA loan had been paid off by CEDC and added to their portfolio. She informed the Committee Hudson Clothier had made their payment after the report had been run. She stated no November payment had been received from Brown’s and she would reach out to them. *Mr. Fingar made a motion, seconded by Mr. Rapport to recommend the report to the full board for their approval. Carried.*

**Loan Policy Manual Review:**

Ms. Lane reviewed the proposed changes to the Loan Policy Manual, which were noted on the distributed copy. She noted most were formatting changes. She noted on page 13 under Portfolio Management, Risk Rating System, the initial risk rating was now proposed to range from 1-5. Mr. Rapport suggested that the range according to the criteria should be changed from 1-3. He also suggested that in the appendix : Lending Authority Table under New Loan Applications, a line should be added for loans \$5,000 and under allowing approval of these at the discretion of the President/CEO without the requirement of Committee and Board approval. He also



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suggested under charge-offs a differentiation be made between those loans under \$25,000 and those at \$25,000 and over, clarifying the charge off didn't require full board approval for those loans under \$25,000. *Mr. Rapport made a motion, seconded by Mr. Fingar recommending the Loan Policy Manual with the suggested changes to the full CEDC Board for approval. Carried.*

Mr. Tucker suggested that the interest rate offered to the clients be a range between 3.75% and 5.00%. Mr. Fingar suggested it be an integrated part of the rating system.

### **Galvan Foundation Loan Program:**

Mr. Tucker noted he was currently awaiting Galvan's review of the program. Mr. Rapport asked if CEDC should have a policy regarding CEDC's participation in these projects. He felt a policy would give some structure and consistency to the agreement.

### **City of Hudson Bridge District DRI Loan Program:**

Mr. Tucker stated conversations with Empire State Development continued regarding the structure of the loans.

Mr. Tucker stated the Audit and Finance Committee had approved adding the \$100,000 to the loan loss reserve.

*With no further business and no public comment, Mr. Rapport made a motion, seconded by Mr. Rapport to adjourn the meeting. Carried. The meeting adjourned at 9:25am.*

*Respectfully submitted by Lisa Draushuk*









## **2020 CEDC Loan Committee Report of Discharged Duties**

- Provided technical assistance to approximately 69 small business owners in Columbia and Greene Counties
- Conducted an eight-week Microbusiness Seminar Series that graduated 12 entrepreneurs
- Closed 34 loans totaling \$671,320 (20 SBA microloans totaling \$371,800 and 14 CEDC loans totaling \$299,520)
- Reviewed and approved the Quarterly Risk Analysis
- Reaffirmed Charter
- Reviewed lending fees
- Developed Rapid Recovery Loan program
- Approved drawdown of \$250,00 in SBA funds
- Approved the offering of a loan payment deferral to CEDC loan clients
- Elected Chair
- Approved additional \$100,000 to the Loan Loss Reserve account
- Approved updates to the Loan Policy Manual
- Board discussed forming a policy to be used to guide it's role when partnering with other organization on loans.



# **Columbia Economic Development Corporation**

## **Loan Committee Charter**

### **Purpose:**

Pursuant to Article IV, Section 1 of the Corporation's bylaws, the purpose of the Loan Committee is to: (i) assist the Board in setting the strategic direction for the Corporation's lending operations, (ii) assist the Board in fulfilling its oversight responsibilities with respect to the Corporation's lending (iii) assist the Board in fulfilling its oversight responsibilities with respect to the Corporation's loan servicing operations and (iv) fulfill such other responsibilities as assigned to it by the Board.

### **Duties of the Loan Committee:**

It shall be the responsibility of the loan committee to:

- The primary responsibility of the Committee is to review and recommend loans and aggregate loan relationships with any individual customer and his or her affiliates that exceed a minimum amount and up to and not to exceed the legal lending limit of the Corporation.
- In connection with the review and approval of any loan request, the Committee shall consider such information as it determines to be consistent with prudent lending practices, including financial statements of the borrower and any guarantors, the ability of the borrower to generate cash flow to support its debt obligations and other cash flow needs, the value and adequacy of the collateral for the loan, recent trends and statistics, and other relevant information.
- Review annually and provide recommendations to the Board regarding the overall strategic plans and initiatives for the Corporation's lending operations, and monitor the implementation of such plans including, markets served and marketing activities.
- Recommend lending policies and procedures to the Board of Directors, and monitor the implementation of such policies.
- Receive monthly reports regarding collections and delinquencies.
- Receive periodic reports regarding other significant issues within the lending operations regarding matters such as, but not limited to, compliance, staffing or other operational issues.
- Provide recommendations to the Board based upon the Committee's activities.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the Charter and request board approval for proposed changes.
- Review and recommend changes to the Corporation's lending fee schedules.

### **Composition of Committee and Selection of Members**

The Loan Committee shall consist of not less than three independent members of the board of Directors, who shall constitute a majority on the committee. If the board has less than three independent members, non-independent members may be appointed to the committee provided that the independent members constitute a majority of the committee. The Corporation's board shall appoint the Loan Committee members. Members shall serve on the committee at the

discretion of the board. Members appointed to the committee shall have the background necessary to perform its duties.

### **Meetings**

The Loan Committee shall meet at least monthly, unless the Chair deems a meeting unnecessary. Members of the Loan committee are expected to attend each committee meeting,. The Loan committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary. A majority of the committee members present shall constitute a quorum.

Meeting agendas shall be prepared prior to every meeting and provided to Loan committee members along with briefing materials five (5) business days before the scheduled Loan committee meeting. The Loan committee may act only on the affirmative vote of a majority of the members present or by unanimous consent. Minutes of these meetings shall be recorded.

A report of the committee's meeting shall be prepared and presented to the board at its next scheduled meeting following the meeting of the committee.

Meetings of the committee are open to the public, and the committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice and the conduct of executive session.

Reviewed and adopted 1/31/17  
Reaffirmed 10/23/18

CONFIDENTIAL

TO: Loan Committee

FROM: Michael Tucker, President and CEO  
Martha Lane, Business Development Director

SUBJECT: Authorization to Make a Loan and Take Related Actions

DATE: January 8, 2021

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Applicant: ROI Digital Consulting LLC  
880 Snyderstown Road  
Craryville, NY 12521

Amount: \$15,000 Rapid Recovery Loan

Purpose: Working capital

Interest Rate: 3.75%

Repayment: SBA Loan: 60 level monthly payments, fully amortized, of  
\$274.56

Proposed Collateral: Personal guaranty of the owner

Other Security: N/A

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TO: Loan Committee  
FROM: Martha Lane, Business Development Director  
SUBJECT: Authorization to Make a Loan and Take Related Actions  
DATE: January 8, 2021

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Applicant: Hudson Roastery LLC  
4 Park Place  
Hudson, NY 12534

Amount: \$25,000 SBA Microloan  
\$25,000 CEDC Loan

Purpose: Buildout, furniture, fixtures, and equipment, restaurant supplies and working capital

Interest Rate: 3.75%

Repayment: SBA: 72 level monthly payments, fully amortized, of \$388.29/month  
CEDC: 72 level monthly payments, fully amortized, of \$388.29/month

Proposed Collateral: Lien on all business assets

Other Security: Personal guaranty of principals

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TO: Loan Committee  
FROM: Lauren Cranna, Business Development Partner  
SUBJECT: Authorization to Make a Loan and Take Related Actions  
DATE: January 12, 2021

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Applicant: WYLDE Hudson, LLC  
35 South Third Street  
Hudson, NY 12534

Amount: \$25,000 SBA Microloan  
\$25,000 CEDC Loan

Purpose: Equipment and retail inventory

Interest Rate: 3.75%

Repayment: SBA: 72 level monthly payments, fully amortized, of \$388.29/month  
CEDC: 72 level monthly payments, fully amortized, of \$388.29/month

Proposed Collateral: Lien on all business assets

Other Security: Personal guaranty of principal