

# Choose Columbia

Columbia Economic Development Corporation

## COLUMBIA ECONOMIC DEVELOPMENT CORPORATION NOTICE OF PUBLIC MEETING

Please take notice that there will be a regular meeting of the Columbia Economic Development Corporation’s Loan Committee to be held in person on October 23, 2023 at 8:30am, at One Hudson City Centre, Suite 301, Hudson, NY 12534 in accordance with Public Officers Law Section 103-a. This meeting is open to the public, who will have the opportunity to attend the meeting in person at the One Hudson City Centre address or via Zoom and provide live comments. Comments can also be provided via email before and during the meeting to [mtucker@columbiaedc.com](mailto:mtucker@columbiaedc.com). Meeting packets are posted and available on CEDC’s website: <https://columbiaedc.com>. Join Zoom Meeting: <https://us06web.zoom.us/j/84110411843?pwd=UW9tblhoNi81UU14Ry9GZGF2aFpVUT09>  
 Meeting ID: 841 1041 1843, Passcode: 587294, Dial by your location: 1 646 558 8656  
 Find your local number: <https://us06web.zoom.us/j/84110411843?pwd=UW9tblhoNi81UU14Ry9GZGF2aFpVUT09>  
 The public will have an opportunity to attend the meeting live and provide comments via Zoom or in person. Please check the website on [www.columbiaedc.com](http://www.columbiaedc.com) for updated information.

Dated: October 16, 2023  
 Sarah Sterling, Secretary Columbia Economic Development Corporation

### CEDC Loan Committee

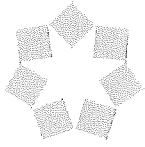
**Chairman:** Rachel Levine  
**Members:** David Fingar                      Kenneth Leggett                      Sarah Sterling  
                   Justin Goldman                      Michael Molinski

1. Minutes, September 18, 2023\*
2. Portfolio Dashboard\*
3. MC Wood LLC Loan Request\*
4. Rayzcorp Loan Request\*
5. Round Clay Studio & Design Loan Request\*
6. ReBus 12534 Loan Request \*
7. Change in Collateral Countryside Cleanup\*
8. Oh Junk! Writeoff
9. Public Comment

#### Attachments:

Minutes, September 18, 2023	MC Wood LLC, Loan Request	Round Clay Studio & Design Loan Request
Portfolio Dashboard	Rayzcorp Loan Request	Rebus12534 Loan Request

\* Requires Approval



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**Meeting Minutes DRAFT**  
**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION**  
**LOAN COMMITTEE**  
**September 18, 2023**  
**One Hudson City Centre, Suite 301**  
**Hudson, New York**

A regularly scheduled meeting of Columbia Economic Development Corporation’s (CEDC) Loan Committee meeting was in person in accordance with the Public Officer’s Law Section 103-a, on September 18, 2023.

Attendee Name	Title	Status	Arrived/Departed
David Fingar	Committee Member	Absent	
Justin Goldman	Committee Member	Present in person	
Kenneth Leggett	Committee Member	Present in person	
Rachel Levine	Committee Member	Present in person	
Michael Molinski	Committee Member	Present via Zoom	
Anita Otey	Committee Member	Absent	
Sarah Sterling	Committee Member	Present in person	
F. Michael Tucker	President/CEO	Present in person	
Andy Howard	CEDC Attorney	Absent	
Jessica Gabriel	Vice-President of Economic Development	Present in person	
Martha Lane	Vice-President of Business Development	Present in person	
Chris Brown	Housing Coordinator	Present in person	
Stephen Vandenburg	Business Development Specialist	Present in person	
Cathy Lyden	Bookkeeper	Present in person	
Riley Werner	Administrative Assistant	Present in person	
Lisa Drahushuk	Administrative Supervisor	Present in person	

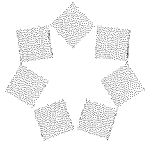
Ms. Levine called the meeting to order at 8:32am.

**Minutes:**

Ms. Levine asked if there were any changes to the minutes of August 21, 2023. *Mr. Goldman pointed out a misspelling on page 2. Ms. Sterling made a motion, seconded by Mr. Leggett to approve the minutes of August 21, 2023 with the correction. Carried.*

**Portfolio Dashboard:**

Ms. Lane stated 2 clients were in default, noting they have been unresponsive. She stated there was one client which has moved into the 90 day category. They had been asked to make a payment by tomorrow, and follow up with another payment on each loan by the end of the month. She noted Loan Client D has asked their loan be modified. She noted that didn’t require approval. *Mr. Leggett made a motion, seconded by Ms. Sterling to approve the report as presented. Carried.*



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## **Interest Rate Discussion:**

Ms. Lane noted the interest rate was currently 6% and there had been internal discussions regarding raising the rate. Mr. Tucker discussed the current rates and the potential of raising the rates. He asked for feedback from the Committee. Ms. Lane stated a variable rate was not allowed by the SBA. She noted in the past the rates had been kept between 7% and 7.75%. She noted at one point in the past the SBA and CEDC interest rates had been different allowing for a blended rate.

Ms. Sterling asked if CEDC was limited in setting their interest rate by the SBA. Ms. Lane stated the SBA set a maximum rate which was 7.75% over our cost of funds. She noted with the current interest rate, CEDC could charge 9% interest. Ms. Lane stated closing costs could be increased. She noted that 7.75% would keep the rate within the SBA guidelines. *Mr. Leggett made a motion, seconded by Mr. Goldman to set the interest rate at 7.75%. Carried.*

## **ACW Millwork Loan Request:**

Ms. Lane stated the request was for a \$60,000 CEDC loan, with a term of 10 years and a \$15,000 SBA loan with a term of 6 years. The loans would have an interest rate of 6% and would be used for equipment purchase and building improvements. Collateral would be a lien on equipment purchased with the loan proceeds and the personal guarantees of the principals. *Ms. Sterling made a motion, seconded by Mr. Leggett to recommend the loans to the full board. Carried.*

## **Olde Hudson Loan Request:**

Mr. Vandenburg stated the requests were for a \$50,000 CEDC loan and a \$25,000 SBA loan with an interest rate of 6%. The loans would be used for working capital. The CEDC loan would have a term of 10 years and the SBA would have a 6 year term. Collateral would be a lien on business assets, a second mortgage on the residence and a personal guarantee. The updated lease would be reviewed upon receipt by CEDC Staff. *Ms. Sterling made a motion, seconded by Mr. Goldman to recommend the loans to the full board upon review of the lease agreement by staff. Carried.*

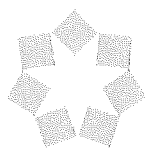
## **RomberWorks Loan Request:**

Mr. Leggett recused himself from the vote due to his work with the loan client. Mr. Vandenburg stated the request was for a \$30,000 CEDC loan and a \$20,000 SBA loan, with a 6% interest rate to be used for debt consolidation. The CEDC loan would have a term of 10 years, while the SBA loan would have a 6 year term. Collateral would consist of a lien on business assets and a second mortgage property and a personal guarantee. *Mr. Goldman made a motion, seconded by Ms. Sterling to recommend the loans to the full board. Carried.*

## **Go Mushroom Collateral Discussion:**

Ms. Lane asked if the Committee would be willing to exchange a third mortgage in return for a first lien on all business assets on the Go Mushroom loan. The Committee discussed the issue. *Mr. Leggett made a motion, seconded by Ms. Sterling to bring the issue to the Full Board for their discussion and decision. Carried.*

Mr. Tucker handed out a report created by Mr. Vandenburg, reporting on the business sectors and the percentage of outstanding loans and which sectors they represented.



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Mr. Tucker informed the Committee that the Village of Kinderhook had been awarded a \$300,000 grant with an associated \$30,000 administrative fee from NYS to be used for a grant & loan building rehabilitation fund. This fund would be open to business owners with buildings located in a designated section of the Village. The Village has asked CEDC to administer the fund on its behalf, in return for the \$30,000 administrative fee. Mrs. Gabriel noted the \$300,000 and the \$30,000 administrative fee would come directly from NYS to CEDC for distribution to the loan/grant recipients.

Mr. Tucker expressed concern with other organizations attempting to enter CEDC's territory, noting marketing efforts would need to be increased. Mrs. Gabriel announced a Columbia Forward event to be held on Thursday, September 21<sup>st</sup> from 5:00pm – 7:00pm at Harvest Spirits in Valatie.

*With no further business and no public present in person or on Zoom, Mr. Leggett made a motion, seconded by Ms. Sterling to adjourn the meeting. Carried. The meeting adjourned at 9:33am.*

*Respectfully submitted by Lisa Draushuk*

Portfolio Summary Dashboard as of October 16, 2023

Fund Name	# of Active Loans	Sum of Principal Balance	Borrower	Sector	Sub-Sector	Closing Date	Loan Amount	Principal Balance	Amount of Last Payment	Date of Last Payment	1-29 Days	30-59 Days	60-89 Days	90-119 Days	120-149 Days	150-179 Days	180 Days or More	Delinquency Total				
CEDC Loan	52	\$1,261,008.84																				
SBA Loan Fund	70	\$827,540.36																				
<b>Grand Total</b>	<b>122</b>	<b>\$2,088,549.20</b>																				
SBA Loan Fund	Loan Client A		Loan Client A	Food Services	Restaurant	3/5/2020	\$30,000.00	\$17,649.11	\$511.47	10/16/2023	\$511.47	\$511.47	\$511.47	\$511.47					\$1,534.41			
CEDC Loan Fund	Loan Client A		Loan Client A	Food Services	Restaurant	3/5/2020	\$30,000.00	\$19,103.61	\$483.15	10/16/2023	\$483.15	\$483.15	\$483.15	\$483.15					\$1,449.45			
CEDC Loan Fund	Loan Client B		Loan Client B	Manufacturing	Millwork	5/24/2018	\$13,350.00	\$1,529.38	\$262.00	10/10/2023	\$262.00	\$262.00	\$262.00	\$262.00					\$777.31			
CEDC Loan Fund	Loan Client C		Loan Client C	Service	Hauling	9/14/2022	\$4,129.33	\$3,954.86	\$100.00	12/2/2022	\$92.78	\$92.78	\$92.78	\$92.78	\$92.78	\$92.78	\$92.78	\$92.78	\$927.80			
CEDC Loan Fund	Loan Client D		Loan Client D	Food Services	Brewery	9/22/2020	\$50,000.00	\$36,873.93	\$815.41	10/10/2023	\$776.58	\$776.58	\$776.58	\$776.58					\$1,630.82			
SBA Loan Fund	Loan Client D		Loan Client D	Food Services	Brewery	9/22/2020	\$25,000.00	\$13,673.94	\$388.29	10/10/2023	\$388.29	\$388.29	\$388.29	\$388.29					\$388.29			
<b>TOTALS</b>											\$152,479.33	\$92,784.83	\$2,560.32	\$2,513.48	\$2,125.19	\$1,419.95	\$92.78	\$92.78	\$92.78	\$92.78	\$371.12	\$6,708.08



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**CEDC Loan Request  
October 16, 2023**

**APPLICANT:** M.C. Wood LLC

**LOCATION:** Ghent

**DESCRIPTION:** Custom millwork

**REQUEST:** \$50,000:

- \$15,000 CEDC Loan
- \$35,000 SBA Microloan

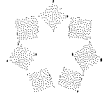
**GRANT:** N/A

**TERM:** CEDC Loan: 72-month note & amortization, \$248.59/month  
SBA Microloan: 72-month note & amortization, \$580.05/month  
Total payment: \$828.64

**RATE:** 6.00%

**PURPOSE:** Working capital and equipment purchase

**COLLATERAL:** Lien-on business assets; personal guaranty of principal



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**CEDC Loan Request**  
**October 16, 2023**

**APPLICANT:** Rayzcorp Inc.

**LOCATION:** Chatham

**DESCRIPTION:** Fine Art Digital Printing

**REQUEST:** \$40,000:  

- \$15,000 CEDC Loan
- \$25,000 SBA Microloan

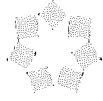
**GRANT:** N/A

**TERM:** CEDC Loan: 72-month note & amortization, \$248.59/month  
SBA Microloan: 72-month note & amortization, \$414.32/month  
Total payment: \$662.91

**RATE:** 6.00%

**PURPOSE:** Debt refinance, working capital and equipment purchase

**COLLATERAL:** Lien on business assets; personal guaranty of principal



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**CEDC Loan Request  
October 16, 2023**

<b>APPLICANT:</b>	Round Clay Studio & Designs
<b>LOCATION:</b>	Chatham
<b>DESCRIPTION:</b>	Pottery Studio
<b>REQUEST:</b>	\$16,000 SBA Microloan
<b>GRANT:</b>	\$1,600 Columbia Forward Grant*
<b>TERM:</b>	SBA Microloan: 72-month note & amortization Monthly payment of \$248.50
<b>RATE:</b>	3.75%*
<b>PURPOSE:</b>	Working capital and equipment purchase
<b>COLLATERAL:</b>	Lien on business assets; personal guaranty of principal

\* This grant and interest rate are made available by the Columbia County Board of Supervisors through the Columbia Forward initiative.





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**CEDC Loan Request**  
October 16, 2023

**Note:** This loan request was recommended to the full board by the loan committee on 4/17/23. The commitment to make the loan expired on 10/1/23. Now that the client has identified a commercial space, it is being brought to the committee again with minor modifications.

<b>APPLICANT:</b>	Rebus 12534 LLC
<b>LOCATION:</b>	Hudson
<b>DESCRIPTION:</b>	Children's clothing retail store
<b>REQUEST:</b>	\$50,000: <ul style="list-style-type: none"><li>• \$15,000 CEDC Loan</li><li>• \$35,000 SBA Microloan</li></ul>
<b>GRANT:</b>	N/A
<b>TERM:</b>	CEDC Loan: 72-month note & amortization, \$ \$248.59/month SBA Microloan: 72-month note & amortization, \$ \$580.05/month Total payment: \$ \$828.64/month
<b>RATE:</b>	6.00%
<b>PURPOSE:</b>	Working capital and inventory purchases
<b>COLLATERAL:</b>	Lien on business assets, personal guaranty of principal