

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 January 22, 2024 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. Meeting packets are posted and available on CEDC’s website: <https://columbiaedc.com>. 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 for updated information.

Join Zoom Meeting

<https://us06web.zoom.us/j/84734872630?pwd=jpXf0u1bwZz03rBUqFHyFXBQSPB9Z5.1>

Meeting ID: 847 3487 2630, Passcode: 959652, Dial by your location: 1 646 558 8656

Find your local number: <https://us06web.zoom.us/u/kdXuhDUmPD>

Dated: January 15, 2023

Sarah Sterling, Secretary Columbia Economic Development Corporation

CEDC Loan Committee

Chairman: Rachel Levine

Members: David Fingar

Justin Goldman

Kenneth Leggett

Michael Molinski

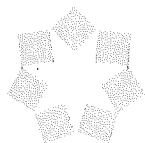
Sarah Sterling

1. Consent Agenda
 - a. Minutes, December 11, 2023
 - b. Loan Committee Charter Review
 - c. 2023 Loan Committee Evaluation*
2. Portfolio Dashboard*
3. Hudson Cruises Modification Request*
4. Four Elements Development LLC. Loan Request*
5. Quinnies Loan Request*
6. Public Comment

Attachments:

Minutes, December 11, 2023	Portfolio Dashboard
Loan Committee Charter Review	Four Elements Development LLC Loan Request
2023 Committee Evaluation	Quinnies Loan Request

* Requires Approval



Choose Columbia

Columbia Economic Development Corporation

Meeting Minutes DRAFT
COLUMBIA ECONOMIC DEVELOPMENT CORPORATION
LOAN COMMITTEE
December 11, 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 December 11, 2023.

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

Mr. Molinski Acting- Chair called the meeting to order at 8:31am.

Minutes:

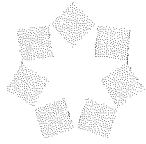
Mr. Molinski asked for a motion to accept the minutes of November 20, 2023. *Mr. Fingar made a motion, seconded by Mr. Leggett to approve the minutes of November 20, 2023 as presented. Carried.*

Portfolio Dashboard:

Ms. Lane stated Loan Client A had sent a payment and was now 60 days past due. Loan Client B had been placed on a deferment and would be off next month’s report.. *Mr. Leggett made a motion, seconded by Ms. Sterling to recommend the report as presented to the full board. Carried.*

Geoffrey Good Jewelry Loan Request:

Ms Lane stated the request was for a \$10,000 CEDC loan and a \$40,000 SBA loan. The interest rate would be 7.75% for both loans with terms of 5 years for the CEDC loan and 6.5 years for the SBA loan. The loan proceeds would be used for debt refinance. The collateral would be a lien on business assets and the personal guarantee



Choose Columbia

Columbia Economic Development Corporation

of the principal. *Mr. Fingar made a motion, seconded by Mr. Leggett to recommend the loan as presented to the Full Board. Carried.*

Talbott, Arding and Co, LLC Loan Request:

Mr. Vandenburg stated the request was for a \$10,000 CEDC loan and a \$33,000 SBA loan. The term on the CEDC loan would be 5 years , while the term on the SBA loan would be 6.5 years. The interest rate on both loans would be 7.75%. The funds would be used for working capital.. Collateral would be a lien on business assets and the personal guaranty of the principals. *Ms. Sterling made a motion, seconded by Mr. Leggett to recommend the loan with financials to the CEDC Board. Carried.*

Mr. Vandenburg provided the Committee with an updated spreadsheet showing the distribution of the loans in the County.

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 8:44am.

Respectfully submitted by Lisa Draushuk

LOAN COMMITTEE CHARTER

Columbia Economic Development Corporation

This Loan Committee Charter was adopted by the Board of Directors of the Columbia Economic Development Committee, a public benefit corporation established under the laws of the State of New York, on this 28 day of March, 2023.

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.

Powers of the Loan Committee

It shall be the responsibility of the Loan Committee to:

- Review and recommend loans and aggregate loan relationships with any individual applicant and his or her affiliates that exceed a minimum amount and up to and not to exceed the legal lending limit of the Corporation.
- Consider such information the committee as it determines to be consistent with prudent lending practices in the review and approval of any loan request, 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 membership of the committee shall be as set forth in accordance with and pursuant to Article IV, Section 1 of the Corporation's bylaws. The Loan Committee shall consist of at least five (5) independent members of the Board of Directors, who shall constitute a majority on the committee. The Loan Committee may have up to three (3) non-members of the Board of Directors, provided that the independent Board members constitute a majority of the committee. The Corporation's Board of Directors shall appoint the Loan Committee members. Members shall serve on the committee at the discretion of the Board of Directors. Members appointed to the committee shall have the background necessary to perform its duties. The Chairperson of the Loan Committee shall be selected by the members of the Loan Committee and ratified by the Board of Directors.

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.

The Chairperson shall preside over Committee meetings, which shall be open to the public in accordance with the salient provisions of the Open Meeting Law of the State of New York, as set forth within Article 7 of the Public Officers Law. Meeting agendas shall be prepared prior to every meeting and provided to the Committee members along with any other relevant materials at least five (5) business days before the scheduled Loan Committee meeting.

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

2023 Confidential Board Evaluation Loan Committee Performance Summary					
		Somewhat	Somewhat		No
Criteria .	Agree	Agree	Disagree	Disagree	Answer
The Committee members meet applicable independence requirements.	6				
The Committee reviews and approves the charter, policies and procedures, and recommends any changes to the board for approval, at least annually.	5	1			
Discusses guidelines and policies governing the processes used to address and manage risk exposure.	5	1			
Reports proceedings, findings and recommendations to the Board after each Committee meeting.	6				
Agendas and related information are circulated in advance of meetings allowing the Committee sufficient time to review information.	6				
The Committee members have the opportunity to speak with and ask questions of any Committee advisors that attend Committee meetings.	5	1			
The Committee receives an appropriate level of detail upon which to base their decisions	5		1		
Reviews delinquencies and collections regularly.	6				
Reviews loan portfolios for consistency with loan fund goals.	6				
Review and provide recommendations regarding overall strategic lending plans and initiatives.	5	1			

Portfolio Dashboard as of January 11, 2024

Loan Fund	# of Active Loans	Sum of Principal Balance
CEDC Loan Fund	55	\$1,336,278.09
SBA Loan Fund	76	\$1,045,794.33
Grand Total	131	\$2,382,072.42

Fund	Borrower	Sector	Sub-Sector	Closing Date	Loan Amount	Principal Balance	Latest Payment Amount	Latest Payment Date	<30 Days	30-59 Days	Delinquency Total
CEDC Loan Fund	Loan Client A	Art/Entertainment	Boat Rides	6/15/2014	\$50,000.00	\$34,765.25	\$387.65	9/18/2023	\$387.65	\$387.65	\$775.30
SBA Loan Fund	Loan Client B	Food Services	Restaurant	3/5/2020	\$30,000.00	\$15,145.92	\$2,685.20	11/27/2023	\$511.47		\$511.47
CEDC Loan Fund	Loan Client B	Food Services	Restaurant	3/5/2020	\$30,000.00	\$16,926.66	\$2,510.39	11/27/2023	\$483.15		\$483.15
				Total	\$110,000.00	\$66,837.83	\$5,583.24	-	\$1,382.27	\$387.65	\$1,769.92



Choose Columbia
Columbia Economic Development Corporation

CEDC Loan Modification Request

January 12, 2024

APPLICANT: Hudson Cruises Inc.

REQUEST: \$34,765.25 CEDC Loan (to amortize balloon due 6/15/24)

TERM: 84-month note and amortization: \$471.21/month;
9-month deferral beginning with payment due 10/15/23; first
payment due July 15, 2024

RATE: 3.75%

PAYMENT: \$471.21 per month

PURPOSE: Refinance existing loan, which was written as a 10-year term
with a 20-year amortization, leaving a balloon payment of
\$34,765.25 due 6/15/24

COLLATERAL: Personal guarantee of principals
Mortgage on property
Lien on business assets



Choose Columbia
Columbia Economic Development Corporation

CEDC Loan Request
January 12, 2024

APPLICANT: Four Elements Development LLC

LOCATION: New Lebanon

DESCRIPTION: General Contractor

REQUEST: \$40,000

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

GRANT: N/A

TERM: CEDC Loan: 72 month note & amortization; \$261.17/month
SBA Microloan: 72 month note & amortization, \$435.29/month
Total Monthly Payment: \$696.46

RATE: 7.75%

PURPOSE: Equipment purchase and Working capital

COLLATERAL: Lien on business assets; personal guarantee of the principal



Choose Columbia
Columbia Economic Development Corporation

CEDC Loan Request
January 12, 2024

APPLICANT:	Quinnie's New York LLC
LOCATION:	Claverack
DESCRIPTION:	Food Service/Restaurant
REQUEST:	\$25,000 SBA Micro-Loan
GRANT:	\$2,500 Columbia Forward Grant*
TERM:	SBA Microloan: 72-month note & amortization Monthly payment of \$388.29
RATE:	3.75%*
PURPOSE:	Working Capital
COLLATERAL:	Lien on business assets; Personal guaranty of the principals

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