

ULSTER COUNTY REVOLVING LOAN FUND COMMITTEE

Minutes

February 26, 2018

A meeting of the Ulster County Revolving Loan Fund was held at 8:00 A.M., February 26, 2018, Karen Binder Library, 6th Floor, Ulster County Office Building, 244 Fair Street, Kingston, NY.

The following members were present:

James Maloney (Chair)
Ward Todd
Randall Leverette (designee for Mary Beth Maio)
Daniel Savona

The following members were absent:

Hector Rodriguez
Richard Gerentine
Alice Rae Kurman-Kostrubal
Mary Beth Maio

The following staff members were present:

Suzanne Holt
Timothy Weidemann
Bernadette Andreassen

Additional Attendees:

None

The meeting was called to order at 8:00 AM

APPROVAL OF MINUTES

Motion: Randall Leverette, seconded by Ward Todd, moved to approve the minutes of the July 5, 2018 meeting.

Vote: The motion was adopted.

FUND BALANCES AND LOAN STATUS REPORT

Christopher Rioux, CPA Deputy Commissioner of Finance, reported that all accounts are current; and there is \$836,000.00 available for lending. A copy of said report is on file.

Suzanne Holt stated that she was advised by the auditor that everything looks good. Ms. Holt also stated that the auditor expressed a willingness to address the Board and offer some suggestions if they so desire. It was the consensus of everyone present to invite the auditor to speak at the next meeting.

Mr. Rioux added that he received a request from the auditor to prepare a Loan Loss Reserve which is based upon the riskiness of every loan.

It was also suggested to review the underwriting criteria at a future meeting. A brief discussion ensued concerning the possibility of having two different forms of the application to accommodate the criteria for both safe and risky loans.

NEW BUSINESS

Bread Alone, Inc.

Tim Weidemann reviewed with the Committee members the background and terms of the current loan with Bread Alone, Inc. Mr. Weidemann explained that Bread Alone has made a request to refinance the remaining balance of their existing loan, which is approaching a balloon payment, for a new term of ten (10) years from the date of closing at the same rate of four percent (4.0%) interest. (Copies of the existing loan summary and the proposed terms are on file.)

Motion: Ward Todd, seconded by Randall Leverette, moved to approve the request of Bread Alone, Inc. to refinance the remaining principal balance due at the time of closing for a term of ten (10) years at the rate of 4.0% interest.

Vote: The motion was adopted.

EXECUTIVE SESSION

Chair James Maloney requested a motion to move into Executive Session for the purpose of reviewing confidential information regarding applications submitted by Fruition Chocolate and Yoga Vida, LLC.

Motion: Ward Todd, seconded by Randall Leverette, moved to enter Executive Session for the purpose of reviewing confidential information contained in the applications submitted by Fruition Chocolate and Yoga Vida, LLC.

Vote: The motion was adopted.

The meeting was adjourned into Executive Session at 8:21 AM.

Motion: Randall Leverette, seconded by Daniel Savona, moved to come out of Executive Session.

Vote: The motion was adopted.

The meeting was adjourned out of Executive Session at 8:47 AM.

No official business was transacted during Executive Session

Fruition Chocolate

Tim Weidemann summarized the application made by Fruition Chocolate which included, but not limited to, the following:

- The loan requested would be used as part of an expansion plan.
- The applicant has also received preliminary notice from New York State ESD that they will receive an Economic Development Grant.
- The total amount of the project is \$400,000.00.
- The applicant is seeking \$100,000.00 from the UCRLF to be combined with \$260,000.00 from the Catskill Watershed Corporation's loan program, and \$40,000.00 in equity.
- The portion from the UCRLF will be used primarily for the purchase of equipment as listed in the application.
- The proposed term of the loan would be seven (7) years at the rate of four percent (4.0%) interest.

Copies of said application and summary are on file.

Motion: Randall Leverette, seconded by Daniel Savona, moved to approve the request of Fruition Chocolate for a loan from the Ulster County Revolving Loan Fund in the amount of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) for a term of seven (7) years at the rate of four percent (4%) interest.

Vote: The motion was adopted.

Yoga Vida, LLC

Suzanne Holt gave a review on behalf of Yoga Vida, LLC including, but not limited to the following:

- The applicant for this project is in the process of purchasing the Lundy Estate located in Ellenville, and will be starting a retreat together with a Bed and Breakfast.
- At the present time, Yoga Vida, LLC has studios in New York City and Brooklyn with a large clientele.
- The applicant also has future plans for an organic farm on the premises.
- Yoga Vida LLC has recently been qualified for an Ellenville Million Grant of \$20,000.00 based upon capital and job creation.

Tim Weidemann added the following:

- The total project is approximately 3.8 million, which includes the purchase of the property in the amount of three million dollars as well as initial renovations and fit out for buildings including furniture and fixtures.
- The applicant is seeking a loan from the UCRLF in the amount of \$100,000.00 for seven (7) years at the rate of four percent (4%) interest. Mr. Weidemann reported that this amount would be combined with a loan through the SBA Guaranty Program and a loan from New Tech, a NYC Bank.
- He further reported that the applicant has already paid a \$600,000.00 deposit on the purchase of the property and will be contributing 1.1 million dollars in equity.
- Additionally, Michael Patton, the primary business owner, will be giving a personal guaranty.

A copy of said application is on file.

Motion: Randall Leverette, seconded by Daniel Savona, moved to approve the request of Yoga Vida, LLC for a loan from the Ulster County Revolving Loan Fund in the amount of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) for a term of seven (7) years at the rate of four percent (4.0%) interest.

Vote: The motion was adopted.

OLD BUSINESS

None

RLF MEETING SCHEDULE FOR THE REMAINDER OF 2018

It was the consensus of those Committee members present to schedule regular meetings, going forward, on the second Tuesday of each month commencing at 4:00 PM. (A copy of said proposed schedule is on file.)

ADJOURNMENT

Motion: Randall Leverette, seconded by Ward Todd, moved to adjourn the meeting.

Vote: The motion was adopted.

The meeting was adjourned at 8:54 A.M.

Respectfully submitted,

Bernadette Andreassen