

**DEVELOPMENT CHENANGO CORPORATION  
FINANCE COMMITTEE  
SPECIAL MEETING MINUTES  
February 14, 2020**

**Present:** C. Olin, D. Shea, S. Marshman, J. Telesky

**Via Phone:**

**Absent:**

**Contract Staff:** K. Green, A. Larsen

**Finance:** S. Locke

**Guest:**

**I. Call to Order**

J. Telesky called the meeting to order at 8:15 a.m.

**II. New Business**

A. Larsen gave an overview of the Collier loan application.

D. Shea asked if they had approached a bank about the mortgage first. He would prefer to be first on security even if the loan would be a greater amount.

S. Marshman said she would think the USDA farm service agency would have a better loan program for this particular project.

J. Telesky asked about the applicant's prior experience.

D. Shea said that the scale of the project was small and may not meet the criteria of DCC's economic development goals.

S. Marshman said the agriculture loan department at NBT may also be a better fit.

K. Green said the committee can revisit the loan next month after seeing how the USDA and NBT programs respond.

J. Telesky said DCC could help if they get funding from a bank and need gap financing.

**III. Old Business**

K. Green introduced the Grateful Grub loan.

A. Larsen said we received letters from Erin's employer confirming an alternative income stream, allowing her to support loan payments.

D. Shea said if we can get confirmation that the truck will be security and that there will be enough cash flow to support the loan, it should work.

K. Green discussed the Norwich Meadows project proposal. They have requested DCC assistance in financing the purchase of a building in Norwich.

D. Shea said he believes DCC would be able to help.

C. Olin asked if the USDA had any programs that would be able to help.

S. Marshman said that was unlikely.

D. Shea said the project checks a lot of boxes from an employment perspective. The committee and board will have to discuss the structure of the financing, as interest cannot be included. The amount is larger than usual for DCC but should still be feasible given the right structure.

C. Olin asked about total amount in the business assistance loan fund.

D. Shea said it was probably around \$300,000. The total amount of available for lending is ultimately about \$1.6 million.

C. Olin asked if we wanted to protect that amount and apply for a STREDC loan.

D. Shea said he liked the idea of going through STREDC.

K. Green said there's an upcoming STREDC meeting and they do electronic applications, so we may have a reasonable turnaround.

J. Telesky said the other funding sources on the project would influence DCC's decision as well.

D. Shea said he wasn't sure if there was anything preventing DCC's financing of the project. Once more information is obtained the committee can engage Tom Gray.

K. Green said Tom Gray may also have some insight into DCC's different possibilities.

D. Shea said the committee should introduce the project and DCC's different potential approaches to the full board as soon as possible.

K. Green said that Cirello missed a loan payment but had caught up and were now closing out.

K. Green said that the annual audit was coming up.

K. Green said that DCC staff met with the Evans' about re-starting their loan payments. They would be extending their loan term from 120 months to 137. They're looking at options for restructuring.

S. Marshman asked what they're doing that's increasing cash flow.

K. Green said they have a new partner and a former client returned.

D. Shea said re-structuring would make sense and he would consider waiving some of the late fees if they show they can resume payments.

J. Telesky said she doesn't think we should stack late fees.

D. Shea said DCC could re-structure so that if six months of regular payments are made, all late fees are waived.

K. Green said paperwork would be prepared for the next meeting.

A. Larsen said that the Dean Foods bankruptcy continued to disrupt payments from P&L farms, and DCC may have to set up an ACH with the Proskines directly.

C. Olin said we should ask Tom Gray about his thoughts for streamlining our loan applications.

K. Green discussed potential loan applications. K. Green said she had talked to the historical society about funding for museum upgrades.

#### **IV. Adjournment**

With no further business motion to adjourn made by C. Olin, seconded by D. Shea. Ayes all. Meeting adjourned at 9:12 a.m.