

VERMONT ECONOMIC DEVELOPMENT AUTHORITY

Minutes

April 30, 2021

A video conferencing meeting of the Vermont Economic Development Authority (VEDA) convened on April 30, 2021 beginning at 9:31 a.m. Members of the Authority present via video conferencing were: S. Voigt, Vice Chair presiding as Chair; A. Eastman (designee for A. Tebbetts); B. Pearce; D. Kurzman; J. Goldstein (designee for L. Kurrle); L. Graves; M. Tuttle; R. Shippee; T. Foster and T. Collier. Staff present via video conferencing in VEDA's Montpelier office: A. Wright, Executive Assistant and K. Kilpatrick, Administrative Assistant. Staff present via video conferencing were: C. Polhemus, Chief Executive Officer; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operations Officer; S. Isham, Director of Agricultural Lending; T. Porter, Director of Commercial Lending; Senior Loan Officers: A. Wood; J. Conklin; M. Dussault; S. Buckley and S. Croft; Loan Officers: E. Paradee and M. Corbett; P. Fitzgerald, Director of Loan Resolution and H. Hook, Senior Accountant. Member E. Delhagen (designee for J. Tierney) joined the meeting later. Those Members present constituted a quorum.

Minutes of March 26, 2021

On a motion by T. Collier, seconded by M. Tuttle, the minutes for the March 26, 2021 meeting were approved by those Members of the Authority present by a vote of 8 to 0 with A. Eastman and the Chair abstaining.

At 9:38 a.m. E. Delhagen joined the meeting.

Member Area Review - Overview of the Governor's Economic Initiatives

J. Goldstein began her report indicating the legislative session began in a great position. Additional general fund allowed for the inclusion of budget items that have been unable to be accomplished for some time. Complexity occurred when American Rescue Plan Act (ARPA) funds were announced. Governor Scott wanted these funds used for acute economic needs as well as planning for the long-term impact to the State.

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The State distributed grants to businesses from the CRF money but there continues to be unmet needs. RDCs are being asked where funds could help near shovel-ready projects.

CEO's Report

C. Polhemus opened her report by summarizing bills currently making their way through the state legislative process that have a direct or indirect impact on VEDA, including H.159 which includes a \$900,000 appropriation from the General Fund to the Seed Capital Fund. The SBA restaurant revitalization fund is a new federal grant program that VEDA will encourage all food related borrowers to apply for.

While some of the banks have had to stop accepting PPP applications, VEDA continues to accept and process these applications. VEDA has been recognized by many for our hard work and dedication to the PPP program. PPP volume continues to be steady.

S. Isham represented VEDA/VACC at a joint session panel for two agricultural committees. This brought together agricultural lenders in the community to discuss where the gaps in agricultural lending exist and what ideas there are to address them. S. Isham stated the legislature was very interested in the Working Lands Program and the broad array of lenders. One of the gaps is in housing for farms and farm laborers and BIPOC farmers.

The Moving Forward Task Force Committee continues to work on the transition from remote working to a hybrid environment. There are a lot of logistics involved in making that work best for staff and VEDA.

C. Polhemus closed her report indicating she is optimistic about having an in-person Planning Meeting. The date and venue have been reserved and VEDA is moving forward with both the Planning and Annual Meetings. Members should reach out if they are concerned about attending in person.

C. Polhemus presented the Approvals and Closings Report.

Board Financial Summary

T. Richardson presented his financial report, explaining Net Operating Income before fair value adjustment for investments through March 31, 2021 of \$3.648 million was favorable to budget by \$1.535 million. Net Interest Income of \$6.247 million was favorable to budget by \$71.3 thousand. Other Income of \$2.083 million was favorable to budget by \$1.267 million.

Credit Quality Report

C. Polhemus provided the Members with a review of the Credit Quality Report.

Outstanding Loan Review Items – Quarterly Update

C. Polhemus provided the Members with the quarterly Outstanding Items Loan Review Report.

Credit Risk Classification Report – 3rd Quarter FY2021

Staff’s Credit Risk Classification Report recommendations for the Vermont Jobs Fund for the 3rd quarter of fiscal 2021 (ended March 31, 2021) included recommended loan loss reserves in the amount of \$2,834,000, reflecting a \$171 thousand increase from the prior quarter.

After discussion regarding the reserves and changes recommended thereto, on a motion by L. Graves, seconded by M. Tuttle, the recommendation was approved by those Members of the Authority present by a vote of 10 to 0 with the Chair abstaining.

Board Loan Committee – Approval

The following loan has been re-approved by the VEDA Board Loan Committee (previous approval expired).

Name	Town	Program	Loan
Northeast Kingdom Development Corporation (Yellow Barn Business Accelerator)	Hardwick	Subchapter 3	\$2,152,162

Staff Authority – Loan Approvals

Pursuant to a resolution passed by the Members of the Authority at the July 29, 2016 meeting, Staff has approved the following loans:

Name	Town	Program	Loan
South Shire LLC	Bennington	Subchapter 5	\$110,000
Agrilab Technologies, Inc.	Enosburg Falls	Commercial Energy	\$33,000

Staff Authority – Other Business

Staff presented the Members with the Internal Other Business memo.

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Staff Authority – Other Affiliate Programs – Loan Approvals

Pursuant to Affiliate Program agreements and memorandums of understanding, Staff has recommended the following loans. (Note BRF – Brownfields Revitalization Fund; CWSRF – Clean Water State Revolving Fund; DWSRLF – Drinking Water State Revolving Fund; LASRF – Local Assistance State Revolving Loan Fund; WCEDP – Windham Community Economic Development Program)

Name	Town	Program	Loan
Bolton Valley Community Water and Sewer, LLC	Bolton	CWSRF	\$52,600
Thetford Academy	Thetford	DWSRF	\$14,150

Staff Authority – Other Affiliate Programs – Other Business

Staff presented the Members with the Internal Other Affiliate Programs Other Business memo.

There being no other business to properly come before the Authority, on a motion by T. Collier, seconded by T. Foster, the meeting adjourned at 10:27 a.m.

ATTEST:

Vermont Economic Development Authority



By: _____
Cassandra F. Polhemus, Chief Executive Officer