

VERMONT ECONOMIC DEVELOPMENT AUTHORITY

Minutes

September 30, 2022

A meeting of the Vermont Economic Development Authority (VEDA) convened at Burke Mountain Resort, East Burke, Vermont on September 30, 2022, beginning at 8:03 a.m. Members present were: S. Voigt, Chair; A. Eastman (designee for A. Tebbetts); C. Carpenter; E. Delhagen (designee for J. Tierney); K. Hale; M. Snyder; R. Shippee; T. Foster; T. Gallagher and T. Collier. Member present via teleconferencing was: B. Pearce. Staff present were: C. Polhemus, Chief Executive Officer; P. Samson, Chief Lending Officer; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operations Officer; C. Houchens, Chief Risk and Resource Officer; S. Croft, Deputy Director of Commercial Lending; S. Isham, Director of Agricultural Lending; J. Emens-Butler, Director of Closing and A. Wright, Executive Assistant and Office Manager. Staff joining the meeting via teleconferencing was: E. Denny, Senior Loan Officer. Those Members present constituted a quorum.

CEO's Report

C. Polhemus opened her report with an update on the Forgivable Loan Program that was enacted during the 2022 legislative session to support businesses experiencing continued working capital shortfalls as a result of COVID-19. The application process opened September 15, 2022 for priority sectors as developed by the State. After the initial thirty days of the program, VEDA will reassess the need to continue limiting application to the priority sectors or open the program to non-priority sectors.

Next, C. Polhemus noted the State Small Business Credit Initiative (SSBCI) program. Vermont will be operating two programs under SSBCI, the Loan Participation Program and the Venture Capital Program. VEDA has approved and closed loans with new pricing, resulting in a 2% rate reduction for businesses that qualify.

C. Polhemus continued her report noting the appointment of three new VEDA Board Members. Appointment paperwork is anticipated to be received from the Governor shortly. C. Polhemus thanked Board Members and Staff for their referrals to help fill these positions.

C. Polhemus closed her report noting the recent staff addition of Constance Jones as Receptionist, and Aaron Krone who will start in mid-October as a Senior Commercial Credit Analyst.

Member Area Review

T. Collier noted the importance of exploring partnerships with start-ups and tech companies. Next, he noted the upcoming holiday season and the importance of supporting Vermont businesses and shopping local. C. Polhemus indicated Governor Scott had just completed a tour in Canada.

E. Delhagen provided an update on the Inflation Reduction Act Greenhouse Gas Reduction Fund included in the Inflation Reduction Act, noting a lot of opportunities to pursue federal funding for the energy sector. C. Polhemus noted S. Buckley has been tasked with following this federal legislation.

Consent Agenda

Approval Item

1. Minutes of August 26, 2022
2. Affiliate Loan Review Report

Informational Items

3. Staff Authority – Loan Approvals

Name	Town	Program	Loan Amount
JRD Properties LLC, S.T.S., Inc	Moretown	Subchapter 5	\$608,000
Cynosure, Inc.	Colchester	Subchapter 3	\$216,000
Rockwell Ramsey Real Estate Association, LLC	Milton	Subchapter 5	\$200,000
Foley Services Inc	Rutland	Com Energy	\$500,000

4. Staff Authority – Other Business
5. Staff Authority – Other Affiliate Programs – Loan Approval

Name	Town	Program	Loan Amount
Vernon Advent Christian Home	Vernon	CWSRF	\$2,894,569

VEDA Minutes – September 30, 2022

On a motion by T. Gallagher seconded by T. Collier, the Minutes of the August 26, 2022 VEDA meeting and the Affiliate Loan Review Report were approved by those Members of the Authority present by a vote of 10 to 0 with the Chair abstaining.

Board Financial Summary

T. Richardson presented his financial report, explaining Net Operating Income before fair value adjustment for investments through August 31, 2022 of \$66.9 thousand was unfavorable to budget by \$1.4 thousand. Net Interest Income of \$1.161 million was unfavorable to budget by \$88.9 thousand. Other Income of \$63.1 thousand was unfavorable to budget by \$107 thousand.

Loan Presentation:

Black Flannel Brewing Company LLC – Essex Junction – Forgivable Loan Program - \$350,000

E. Denny explained Black Flannel Brewing Company LLC of Essex Junction is requesting a \$350,000 Forgivable Loan Program loan to support current and on-going operations which have been significantly impacted by their inability to open during COVID. Due to the timing of their opening, the business was not able to access adequate Covid relief funding from prior programs.

After discussions regarding the borrower’s aggregate exposure and payment history, On a motion by T. Collier, seconded by T. Foster, the Forgivable Loan Program request was approved by those Members of the Authority present by a vote of 10 to 0 with the Chair abstaining.

There being no other business to properly come before the Authority, on a motion by T. Gallagher, seconded by A. Eastman, the meeting adjourned at 8:56 a.m.

ATTEST:

Vermont Economic Development Authority

By: *Cassandra F. Polhemus*
Cassandra F. Polhemus, Chief Executive Officer

VERMONT AGRICULTURAL CREDIT CORPORATION

Minutes

September 30, 2022

A meeting of the Vermont Agricultural Credit Corporation (VACC) convened at Burke Mountain Resort, East Burke, Vermont on September 30, 2022, beginning at 8:57 a.m. Directors present were: S. Voigt, Chair; A. Eastman (designee for A. Tebbetts); C. Carpenter; E. Delhagen (designee for J. Tierney); K. Hale; M. Snyder; R. Shippee; T. Foster; T. Gallagher and T. Collier. Director present via teleconferencing was: B. Pearce. Staff present were: C. Polhemus, President; P. Samson, Vice President; T. Richardson, Treasurer; S. Isham, Secretary; R. Grzankowski, Assistant Secretary; J. Emens-Butler, Assistant Secretary; C. Houchens, Chief Risk and Resource Officer; S. Croft, Deputy Director of Commercial Lending and A. Wright, Executive Assistant and Office Manager. Staff present via teleconferencing was: E. Denny, Senior Loan Officer. Those Directors present constituted a quorum.

Consent Agenda

Approval Items

1. Minutes of August 26, 2022

Informational Items

2. Staff Authority – Loan Approvals

Name	Town	Loan Amount
Screamin' Ridge Farm, Inc.; Buley, Joseph R. Jr.; Buley Family Trust, Inc.; Martin, Lori A.	Montpelier	\$270,000
Thurston Forestry L.L.C.; Thurston, Everett C. and Jessica H.	Brandon	\$52,000
Leavitt Logging, LLC; Leavitt, Kevin R. and Frances	Belvidere	\$74,000
Bridport Creamery, LLC and Foster, Nicole O.	Bridport	\$28,950
Keck Wines Enterprises, LLC; Keck, David and Droege, Lauren	Jeffersonville	\$20,000

3. Staff Authority – Other Business

VACC Minutes – September 30, 2022

On a motion by T. Collier, seconded by R. Shippee, the Minutes of August 26, 2022 meeting were amended to reflect T. Collier’s abstention of the Consent Agenda. The amended Minutes were approved as presented by those Directors of the Corporation present by a vote of 10 to 0 with the Chair abstaining.

Agricultural Update

A. Eastman provided Members with an update of the Eastern States Exposition noting this three-week event is the only location where six New England states are in one place as each state owns their building. With 178 thousand visiting the fairgrounds in one day, A. Eastman described the mood as incredible. A. Eastman noted she was pleased to see a lot of new businesses and new trends.

C. Polhemus indicated she had the honor of attending Taste of Vermont on September 22nd in Washington, DC, with honored guest Senator Leahy. C. Polhemus indicated it was interesting to see many new and start-up food companies and distilleries.

M. Snyder noted that the prices paid for logs delivered is strong and with decent weather loggers, forestry and truckers remain busy. The low value of chips and workforce shortages continue to be problematic. M. Snyder indicated support from partners like the Working Lands Enterprise Initiative will strengthen our forest products businesses. M. Snyder closed his update indicating Vermont State Parks exceeded one million visitors this year.

There being no other business to properly come before the Corporation, on a motion by K. Hale, seconded by T. Collier, the meeting adjourned at 9:20 a.m.

ATTEST:

Vermont Agricultural Credit Corporation

By: *Sarah C. Isham*
Sarah C. Isham, Secretary

VERMONT 504 CORPORATION

Minutes

September 30, 2022

A meeting of the Vermont 504 Corporation convened at Burke Mountain Resort, East Burke, Vermont on September 30, 2022 beginning at 9:21 a.m. Those Directors present in VEDA's office were: A. Eastman (designee for A. Tebbetts); C. Carpenter; E. Delhagen (designee for J. Tierney); K. Hale, M. Snyder; R. Shippee; S. Voigt; T. Foster; T. Gallagher and T. Collier. Directors present via teleconferencing was: B. Pearce. Staff present were: C. Polhemus, President; P. Samson, Vice President; T. Richardson, Treasurer; S. Croft, Secretary; R. Grzankowski, Assistant Secretary; J. Emens-Butler, Assistant Secretary; C. Houchens, Chief Risk and Resource Officer; S. Isham, Director of Agricultural Lending and A. Wright, Executive Assistant and Office Manager. Staff present via teleconferencing was: E. Denny, Senior Loan Officer. Directors T. Gallagher, R. Shippee and C. Carpenter have commercial lending experience. Those Directors present constituted a quorum.

C. Polhemus chaired the meeting.

Consent Agenda

Approval Items

1. Minutes of August 26, 2022

On a motion by T. Collier, seconded by T. Gallagher, the Minutes of the August 26, 2022 Vermont 504 Corporation were amended to reflect T. Collier's abstention of the Consent Agenda. The amended Minutes were approved as presented by those Directors of the Corporation present by a vote of 11 to 0.

VT 504 Minutes – September 30, 2022

There being no other business to properly come before the Corporation, on a motion by T. Collier, seconded by S. Voigt, the meeting adjourned at 9:22 a.m.

ATTEST:

Vermont 504 Corporation

By: 
Sandra Croft, Secretary

VERMONT SMALL BUSINESS DEVELOPMENT CORP.

Minutes

September 30, 2022

A meeting of the Vermont Small Business Development Corp. (VSBDC) convened at Burke Mountain Resort, East Burke, Vermont on September 30, 2022 beginning at 9:23 a.m. Those Directors present were: A. Eastman (designee for A. Tebbetts); C. Carpenter; E. Delhagen (designee for J. Tierney); K. Hale; M. Snyder; R. Shippee, S. Voigt; T. Foster; T. Gallagher and T. Collier. Director present via teleconferencing was: B. Peace. Staff present were: C. Polhemus, President; P. Samson, Vice President; T. Richardson, Treasurer; S. Croft, Secretary; R. Grzankowski, Assistant Secretary; J. Emens-Butler, Assistant Secretary; C. Houchens; Chief Risk and Resource Officer; S. Isham, Director of Agricultural Lending and A. Wright, Executive Assistant and Office Manager. Staff present via teleconferencing was: E. Denny, Senior Loan Officer. Those Directors present constituted a quorum.

C. Polhemus chaired the meeting.

Consent Agenda

Approval Item

1. Minutes of July 29, 2022

Informational Items

2. Staff Authority – Loan Approvals

Name	Town	Loan Amount
Illiquid Assets, LLC	Warren	\$480,000
Hogback Properties LLC	West Marlboro	\$120,000
123 Mountain Road, LLC Stowe Village Inn, Inc.	Stowe	\$66,660

3. Staff Authority – Other Business

VSBD C Minutes – September 30, 2022

On a motion by R. Shippee, seconded by T. Collier, the Minutes of August 26, 2022 Meeting were amended to reflect T. Collier’s abstention. The amended Minutes were approved by those Directors of the Corporation present by a vote of 11 to 0.

There being no other business to properly come before the Corporation, on a motion by T. Collier, seconded by R. Shippee, the meeting adjourned at 9:24 a.m.

ATTEST:

Vermont Small Business Development Corp.

By: 
Sandra Croft, Secretary