

VERMONT ECONOMIC DEVELOPMENT AUTHORITY

Minutes

March 31, 2023

A meeting of the Vermont Economic Development Authority (VEDA) convened on March 31, 2023 beginning at 9:28 a.m. Those Members of the Authority present in VEDA's Office were: S. Voigt, Chair; C. Carpenter; D. Marvin; K. Hale; K. Bourgeois; M. Pieciak, P. Elwell and T. Collier. Members present via teleconferencing: E. Delhagen (designee for J. Tierney); T. Foster; T. Gallagher and R. Shippee. Members joining the meeting later via teleconferencing: J. Goldstein (designee for L. Kurrle). Staff present in VEDA's Montpelier office: 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. Isham, Director of Agricultural Lending; S. Buckley, Director of Energy and Broadband Lending; S. Croft, Deputy Director of Commercial Lending; E. Denny, Senior Commercial Loan Officer; M. Harris, Commercial Credit Analyst and A. Wright, Executive Assistant and Office Manager. Those members present constituted a quorum.

CEO's Report

C. Polhemus opened her report detailing the March 22nd meeting with Dr. Egan. S. Voigt, J. Goldstein, B. Lambek (VEDA's counsel) and C. Polhemus met with Dr. Eagan to address his concerns over the \$28 million in SSBCI funds allocated by the State for venture capital investments. Following this meeting, further conversations with well-known Vermont based venture capital investors confirmed their continued support of the State's allocation of SSBCI funds for venture capital. C. Polhemus notified Dr. Eagan of this support and indicated VEDA's decision to move forward with the approved SSBCI Venture Capital plan.

Next, C. Polhemus announced the Forgivable Loan Program (FLP) funds have been exhausted, with a grand total of 201 loans approved for \$18.5 million. Loans were made in all 14 Vermont counties. VEDA will continue to administer the forgiveness process over the next 12 months.

At 9:52 a.m. J. Goldstein joined the meeting by teleconferencing.

C. Polhemus shared details of the Executive Management Team's retreat that occurred earlier in March, at which time they met with a leadership and management consultant to advise them as they begin the process of working on VEDA's next Strategic Plan.

C. Polhemus closed her report noting the recent turmoil in the banking industry caused by the failure of Silicon Valley Bank. Discussion ensued regarding VEDA’s deposit and investment funds. T. Richardson provided a summary memo of VEDA’s deposit accounts. VEDA’s deposits are protected by collateral pledged by the depository institution where they are held.

Member Area Review

J. Goldstein began the Member Area Review, noting a continued market demand and lack of supply for industrial space in the state. This topic is getting attention from the Legislature.

M. Pieciak noted State revenues and liquidity are strong, recent corporate and personal tax numbers are up, and all indicators are looking good.

At 10:02 M. Pieciak exited the meeting.

Consent Agenda

Approval Items

1. Minutes of February 24, 2023
2. Small Business Loan Review Report

Informational Items:

3. Security of VEDA Deposit Funds
4. Staff Authority – Other Business
5. Staff Authority – Other Affiliate Programs – Other Business
6. Forgivable Loan Program – Approvals and Denials

Name	Town	Loan Amount
Faraday, Inc	Burlington	\$350,000
Linceus LLC	Williston	\$ 87,458
S&A Healthcare, PLC DBA The New England Wellness Group	Brattleboro	\$156,735
Kenneth Leach	Pawlet	\$ 59,445
David and Peggy Howrigan	Fairfield	\$ 41,939
821 Corporation DBA Three Mountain Inn	Jamaica	\$ 51,270
Harlow & Dahlia Events, LLC	South Burlington	\$ 21,733

Mamava, Inc	Burlington	\$306,207
Misty-Ann Koloski	Newport Center	\$ 14,813
Kindred Spirit LLC DBA Home Alternatives	Rutland	\$ 17,065
Van Ness Woodcrafts	Richmond	\$ 10,860
Timothy and Julie Howlett	Bridport	\$350,000
WorkWright Vermont, Inc	Shelburne	\$ 30,220
Ronnie Sweet II	Saint Albans	\$ 81,876
Asian Foodmart LLC	Burlington	\$ 17,870
Bradley Callan	Fairfield	\$ 41,843
Chimney Point Farm Limited Partnership	Addison	\$157,833
McManus Law Office, PLLC	Manchester	\$ 22,840
Sunset Hills Farm, LLC	Morgan	\$ 25,774
Bushel Market Inc	Hinesburg	\$ 37,200
Boissonneault Family Farm, Inc.	Saint Albans	\$ 96,903
Lightning Sports Medicine, LLC	Shelburne	\$ 3,105
REV Indoor Cycling, LLC	Burlington	\$ 38,751

On a motion by D. Marvin, seconded by K. Bourgeois, Minutes of the February 24, 2023 meeting and the Small Business Loan Review Report were approved by those Members of the Authority present by a vote of 10 to 0 with the Chair and T. Collier abstaining.

Board Financial Summary

T. Richardson presented his financial report, explaining Net Operating Income before fair value adjustment for investments through February 28, 2023 of \$789.1 thousand was unfavorable to budget by \$364.4 thousand. Net Interest Income of \$4.2 million was unfavorable to budget by \$661.8 thousand. Other income of \$635.7 thousand was unfavorable to budget by \$228.4 thousand.

Commercial Loan Policy Updates

P. Samson outlined the updates within the Commercial Loan Policy, noting some changes have been made for added clarification and others for more material changes. Changes include increasing the maximum Energy Loan amount in the Energy Loan Program to \$6 million,

increasing the amount eligible to be financed on energy projects from 60% of Project Costs to 90% of Project Costs, changes to the Loan Officer Other Business authority, adding the new title of Director of Energy and Broadband Lending to the loan approval authority, and eliminating the requirement for the Manager/CEO to sign every VEDA Sub Chapter 5 loan.

After discussions on the proposed changes, on a motion by T. Collier, seconded by K. Hale, the updates to the Commercial Loan Policy were approved by those Members of the Authority present by a vote of 11 to 0 with the Chair abstaining.

Loan Presentations:

Pittsford Furnace Brook GLC Solar, LLC – Pittsford – \$641,420

S. Buckley explained Pittsford Furnace Brook GLC Solar, LLC is requesting a \$641,420 loan for the purchase of machinery, equipment, furniture, and fixtures required for the development of a solar array in Pittsford, Vermont that will supply 141 average annual households. The loan will be secured by the Borrower's Project machinery and equipment, business assets, collateral assignments of all agreements required to operate the project, the corporate guaranty of GLD and the personal guaranty of Luke Shullenberger.

On a motion by T. Collier, seconded by P. Elwell, the loan request was approved by those Members of the Authority present by a vote of 11 to 0 with the Chair abstaining.

Pico View GLC Solar, LLC – Pittsfield – \$641,341

S. Buckley explained Pico View GLC Solar, LLC is requesting a \$641,341 loan for the purchase of machinery, equipment, furniture, and fixtures for the development of a solar array in Pittsfield, Vermont that will supply 135 average annual households. The loan will be secured by the Borrower's Project machinery and equipment, business assets, collateral assignments of all agreements to operate the project, corporate guaranty of GLD and the personal guaranty of Luke Shullenberger.

On a motion by T. Collier, seconded by K. Hale, the loan request was approved by those Members of the Authority present by a vote of 11 to 0 with the Chair abstaining.

CRB Solar, LLC – Brighton – \$814,309

S. Buckley explained CRB Solar, LLC is requesting a \$814,309 loan for the purchase of machinery, equipment, furniture, and fixtures for the development of a 500 KW solar array in Brighton, Vermont that will supply 135 average annual households. The loan will be secured by

the Borrower’s Project machinery and equipment, business assets, collateral assignments of all agreements required to operate the project, corporate guaranty of GLD, and personal guaranty of Luke Shullenberger.

On a motion by P. Elwell, seconded by T. Collier, the loan request was approved by those Members of the Authority present by a vote of 11 to 0 with the Chair abstaining.

Brighton Solar, LLC – Brighton – \$788,052

S. Buckley explained Brighton Solar, LLC is requesting a \$788,052 loan for the purchase of machinery, equipment, furniture, and fixtures for the development of a 500 KW solar array in Brighton, Vermont that will supply 136 average annual households. The loan will be secured by the Borrower’s Project machinery and equipment, security interest in all business assets, collateral assignments of all agreements to operate the projects, corporate guaranty of GLD and personal guaranty of Luke Shullenberger.

On a motion by T. Collier, seconded by P. Elwell, the loan request was approved by those Members of the Authority present by a vote of 11 to 0 with the Chair abstaining.

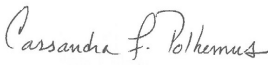
Other Business

C. Polhemus introduced Michael Harris, Commercial Credit Analyst, to his first Board meeting. M. Harris has been with VEDA since December.

There being no other business to properly come before the Authority, on a motion by T. Collier, seconded by C. Carpenter, the meeting adjourned at 10:43 a.m.

ATTEST:

Vermont Economic Development Authority

By: 
Cassandra F. Polhemus, Chief Executive Officer

VERMONT AGRICULTURAL CREDIT CORPORATION

Minutes

March 31, 2023

A meeting of the Vermont Agricultural Credit Corporation (VACC) convened on March 31, 2023 beginning at 10:44 a.m. Those Directors present in VEDA's office were: S. Voigt, Chair; C. Carpenter; D. Marvin; K. Hale; K. Bourgeois; P. Elwell and T. Collier. Directors present via teleconferencing: E. Delhagen (designee for J. Tierney); J. Goldstein (designee for L. Kurrle); R. Shippee; T. Gallagher and T. Foster. Staff present in VEDA's Montpelier office: C. Polhemus, President; P. Samson, Vice President; T. Richardson, Treasurer; S. Isham, Secretary; R. Grzankowski, Assistant Secretary; C. Houchens, Chief Risk and Resource Officer; S. Buckley, Director of Energy and Broadband Lending; S. Croft, Deputy Director of Commercial Lending; E. Denny, Senior Commercial Loan Officer; M. Harris, Commercial Credit Analyst and A. Wright, Executive Assistant and Office Manager. Those Directors present constituted a quorum.

Consent Agenda

Approval Item

1. Minutes of February 24, 2023

Informational Item:

2. Staff Authority – Other Business

On a motion by K. Hale, seconded by K. Bourgeois, Minutes of the February 24, 2023 meeting were approved by the Directors of the Corporation by a vote of 10 to 0 with the Chair and T. Collier abstaining.

Agricultural Update

C. Polhemus noted that the VACC pipeline is strong with a diversity of projects throughout numerous Vermont counties. P. Samson indicated the SSBCI discounted interest rate has helped borrowers, and the Forgivable Loan Program pleasantly aligned with the agricultural sector. S. Isham was pleased to share that the pipeline is a combination of new and existing borrowers.

VACC Minutes – March 31, 2023

There being no other business to properly come before the Corporation, on a motion by T. Collier, seconded by K. Hale, the meeting adjourned at 10:48 a.m.

ATTEST:

Vermont Agricultural Credit Corporation

By: *Sarah C. Isham*

Sarah C. Isham, Secretary

VERMONT 504 CORPORATION

Minutes

March 31, 2023

A meeting of the Vermont 504 Corporation convened on March 31, 2023 beginning at 10:49 a.m. Those Directors present in VEDA's Office were: C. Carpenter; D. Marvin; K. Hale; K. Bourgeois; M. Pieciak; P. Elwell; S. Voigt and T. Collier. Directors present via teleconferencing: E. Delhagen (designee for J. Tierney); J. Goldstein (designee for L. Kurrle); R. Shippee; T. Gallagher and T. Foster. Staff present in VEDA's Montpelier office: C. Polhemus, President; P. Samson, Vice President; T. Richardson, Treasurer; S. Croft, Secretary; R. Grzankowski, Assistant Secretary; C. Houchens, Chief Risk and Resource Officer; S. Isham, Director of Agricultural Lending; S. Buckley, Director of Energy & Broadband Lending; E. Denny, Senior Commercial Loan Officer; M. Harris, Commercial Credit Analyst and A. Wright, Executive Assistant and Office Manager. Directors C. Carpenter; R. Shippee and T. Gallagher have commercial lending experience. Those Directors present constituted a quorum.

C. Polhemus chaired the meeting.

Consent Agenda

Approval Item

1. Minutes of ~~January 27, 2023~~ February 24, 2023
2. Small Business Loan Review Report

Informational Item

3. USDA IRP Borrowing Summary
4. Staff Authority – CA Other Business

On a motion by P. Elwell, seconded by K. Bourgeois, Minutes of the February 24, 2023 Vermont 504 Corporation meeting were approved as presented by those Directors of the Corporation present by a vote of 11 to 0 with M. Pieciak and T. Collier abstaining.

Resolution to Borrow

T. Richardson provided Directors with a USDA Rural Development Resolution to Borrow in an amount not to exceed \$1 million.

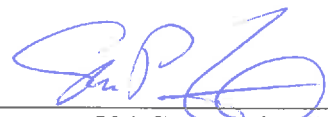
On a motion by T. Collier, seconded by C. Carpenter, the Resolution to Borrow was approved as presented by those Directors of the Corporation present by a vote of 12 to 0 with M. Pieciak abstaining.

There being no other business to properly come before the Corporation, on a motion by T. Collier, seconded by D. Marvin, the meeting adjourned at 10:52 a.m.

ATTEST:

Vermont 504 Corporation

By: 
Sandra Croft, Secretary

By: 
Vermont 504 Corporation Director

As amended, May 26, 2023

VERMONT SMALL BUSINESS DEVELOPMENT CORP.

Minutes

March 31, 2023

A meeting of the Vermont Small Business Development Corp. (VSBDC) convened on March 31, 2023 beginning at 10:53 a.m. Those Directors present in VEDA's office were: C. Carpenter; D. Marvin; K. Hale; K. Bourgeois; M. Pieciak; P. Elwell; S. Voigt and T. Collier. Directors present via teleconferencing: E. Delhagen (designee for J. Tierney); J. Goldstein (designee for L. Kurrle); R. Shippee; T. Foster and T. Gallagher. Staff present in VEDA's Montpelier office: C. Polhemus, President; P. Samson, Vice President; T. Richardson, Treasurer; S. Croft, Secretary; R. Grzankowski, Assistant Secretary; C. Houchens, Chief Risk and Resource Officer; S. Isham, Director of Agricultural Lending; S. Buckley, Director of Energy and Broadband Lending; E. Denny, Senior Commercial Loan Officer; M. Harris, Commercial Credit Analyst and A. Wright, Executive Assistant and Office Manager. Those Directors present constituted a quorum.

C. Polhemus chaired the meeting.

Consent Agenda

Approval Item

1. Minutes of February 24, 2023

Informational Items

2. Staff Authority – Loan Approvals
3. Staff Authority – Other Business

On a motion by K. Hale, seconded by S. Voigt, Minutes of the February 24, 2023 meeting were approved as presented by those Directors of the Corporation present by a vote of 12 to 0 with T. Collier abstaining.

VSBDC Minutes – March 31, 2023

There being no other business to properly come before the Corporation, on a motion by T. Collier, seconded by D. Marvin, the meeting adjourned at 10:54 a.m.

ATTEST: Vermont Small Business Development Corp.

By: 
Sandra Croft, Secretary