

VERMONT ECONOMIC DEVELOPMENT AUTHORITY

Minutes

May 27, 2022

A meeting of the Vermont Economic Development Authority (VEDA) convened at VEDA's office in Montpelier on May 27, 2022, beginning at 9:32 a.m. Members present in VEDA's office were: S. Voigt, Chair; T. Gallagher; E. Delhagen (designee for J. Tierney); R. Shippee; T. Foster; C. Carpenter and K. Hale. Those Directors present via teleconferencing were: T. Collier and A. Eastman (designee for A. Tebbetts). Staff present in VEDA's Montpelier office were: C. Polhemus, Chief Executive Officer; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operations Officer; J. Emens-Butler, Director of Closing; C. Houchens, Chief Risk and Resource Officer; S. Isham, Director of Agricultural Lending; Senior Loan Officers: E. Denny, S. Buckley and A. Wood; A. Wright, Executive Assistant and Office Manager and K. Kilpatrick, Administrative Assistant. Staff members present via teleconferencing were: M. Corbett, Loan Officer. Member D. Kurzman entered the meeting later. Member A. Gagner-Murphy and H. Hook, Senior Accountant joined the meeting later via teleconferencing. Those Members present constituted a quorum.

CEO's Report

C. Polhemus began her report noting Staff is in the process of planning in person events for the Strategic Planning Meeting in September and the Annual Meeting and Luncheon in October. She noted both are subject to change depending on the status of COVID.

Next, C. Polhemus described the status of bills as the end of the legislative session approaches. She noted the bill which contains the VEDA Forgivable Loan Program, S.11, is now awaiting the Governor's approval. She explained VEDA will be creating and implementing the program, noting operational details are currently being developed.

At 9:38 a.m. D. Kurzman entered the meeting and H. Hook joined via teleconferencing.

C. Polhemus continued, noting S.11 also includes transferring the Windham Community Economic Development Program to Brattleboro Development Credit Corporation. The original

VEDA Minutes – May 27, 2022

principal for the loan program has been exhausted. BDCC will assume the servicing for the loans that remain outstanding.

Next, C. Polhemus provided the Members with a list of legislators who have announced retirements or are seeking a higher office.

At 9:44 a.m. A. Gagner-Murphy joined via teleconferencing.

Discussion ensued regarding the learning process for new legislators involved with VEDA. C. Polhemus also noted B. Pearce’s decision to retire at the end of her term and commented on her tremendous support for VEDA during her tenure as State Treasurer.

C. Polhemus continued, noting five states have been approved for SSBCI funding, though monies will not be disbursed until further action by Congress.

Next, C. Polhemus noted the SBA SMART Review of VT 504 Corporation is currently in process – headed by C. Houchens, Chief Risk and Resource Officer.

C. Polhemus closed her report noting VEDA had strong participation in the 39th Annual Vermont Corporate Cup and State Agency Race. She noted in-person walking teams came in 1st and 4th overall.

Area Review

K. Hale noted she was glad to see such a robust pipeline for VEDA, stating she is also seeing the same in the banking sector.

D. Kurzman stated it was nice to see so many license plates from Quebec in the Northeast Kingdom. He expects the VEDA Forgivable Loan Program dollars will help businesses close to the border that are experiencing an uptick in visitors from Canada.

Consent Agenda

Approval Item

1. Minutes of April 29, 2022

Informational Items

2. Board Loan Committee – Approvals

Name	Town	Program	Loan Amount
MHG Solar LLC	Manchester	Commercial Energy	\$2,000,000
Hoosic River Hydro, LLC	North Pownal	Commercial Energy	\$2,797,800

VEDA Minutes – May 27, 2022

3. Staff Authority – Loan Approvals

Name	Town	Program	Loan Amount
Saxtons River Distillery, LLC	Brattleboro	Commercial Energy	\$213,300
Vermont Malthouse LLC	Charlotte	Subchapter 5	\$600,000

On a motion by T. Gallagher, seconded by D. Kurzman, the Minutes of the April 29, 2022 were approved as presented by those Members of the Authority present by a vote of 10 to 0 with the Chair abstaining.

Board Financial Summary

T. Richardson presented the monthly financial report, explaining Net Operating Income before fair value adjustment for investments through April 30, 2022 of \$3.9 million was favorable to budget by \$1.7 million. Net Interest Income of \$6.5 million was favorable to budget by \$98.7 thousand. Other Income of \$578.9 thousand was favorable to budget by \$32.8 thousand.

Commercial Loan Policy Update

C. Polhemus outlined the updates within the Commercial Loan Policy, noting changes have been made to match the new VEDA law. The changes include increasing the maximum loan amount in VEDA’s Subchapter 5 program to \$5 million (\$6 million with an energy component) as well as increasing maximum loan amounts in the VSBDC program and increasing the maximum allowed amortization period for certain loans.

On a motion by D. Kurzman, seconded by T. Collier, the updates to the Commercial Loan Policy were approved by those Members of the Authority present by a vote of 10 to 0 with the Chair abstaining.

Other Business

S. Voigt reminded Members to add the Annual Meeting and Luncheon on October 28, 2022 to their calendars.

VEDA Minutes – May 27, 2022

There being no other business to properly come before the Authority, on a motion by D. Kurzman, seconded by T. Collier, the meeting adjourned at 10:02 a.m.

ATTEST:

Vermont Economic Development Authority

By: _____
Cassandra F. Polhemus, Chief Executive Officer

DRAFT