

## HARTFORD BUSINESS REVOLVING LOAN FUND COMMITTEE

### Meeting Minutes

June 5<sup>th</sup>, 2019 at 8:30 a.m.

Hartford Town Hall

171 Bridge St., Room 312

White River Junction, VT 05001

Members Present: Kevin Raleigh (Chair), Dennis Driscoll, Frank Klymn, Ryan Scelza and Jay Zanleoni

Others present: Robert Haynes, GMEDC Executive Director, Mark Condon, GMEDC Executive Assistant and Richard Grassi, Hartford Selectboard.

With quorum met, Committee Chair Kevin Raleigh called the meeting to order at 8:33 a.m.

### Executive Session: Review of Terms on Approved Loan Application

Dennis Driscoll made a **motion** to go into Executive Session due to the proprietary nature of reviewing the terms on an approved loan application. Ryan Scelza seconded the motion, and the motion passed.

The meeting went into Executive Session at 8:35 a.m.

At 8:43 a.m. the meeting came out of Executive Session.

**Motion:** Frank Klymn made a **motion** to remove the condition of key-person life insurance on the previously approved loan of \$50,000 to Tafts Flat Properties, LLC. Dennis Driscoll seconded the motion which passed unanimously.

It was noted that this condition had not been included in prior formal motions by the Committee or the Selectboard but had been added to the commitment letter as a standard item.

### Other Business

Richard Grassi stated that the Selectboard was concerned that the HBRLF was running out of available funds with only enough for possibly one more loan after the Tafts Flat loan is closed. (At the end of May 2019, the HBRLF had roughly \$54K available to lend, not counting the funds committed to the Tafts Flat loan.) The Selectboard believes the fund is an important service to the community. Richard noted that there had been a number of conversations in Committee meetings about replenishing the HBRLF but that no action seems to have been taken.

Bob Haynes noted that these type of revolving loan funds are seeded by Community Development Block Grant loans. As the loans are paid back, half the principal gets kept by the town to fund an RLF. It was noted that Hartford is currently getting a CDBG for the Village at

White River Junction senior facility, but depending on the terms of that loan, it may be years before any of the funds came back for RLF use.

Bob Haynes stated that GMEDC has access to two other RLFs besides HBRLF that Hartford businesses could access if needed. The first is a grant from the USDA which still has \$15K left to loan businesses hurt by natural disasters but that can also be accessed by businesses looking to start-up. And there is the Connecticut River Valley RLF which is administered by the Springfield RDC. GMEDC is on the CRVRLF loan committee which currently has approximately \$175K available. CRVRLF covers a district of around 50 towns one of which is Hartford. So should the HBRLF not be able to meet some business's current need, they could be directed to one of these other RLFs.

Frank noted that at a prior meeting it was suggested that a Tuck student could be found to help make a plan to replenish the HBRLF. Lori Hirshfield had said that she would contact the Tuck School as some student volunteers were already working on another project for the town. The Committee has not heard back what happened with this though.

It was decided that the topic of finding new funds for the HBRLF would be added to the agenda of the next committee meeting scheduled for September 4<sup>th</sup> at which time Lori can give a rundown of what research has been done. Richard stated one of the problems with moving this request along has been a lack of timelines. It was decided that in the next month there should be a meeting with Richard Grassi, Bob Haynes, Mark Condon, Lori Hirshfield and Town Manager Brannon Godfrey to discuss future funding of the HBRLF and that afterwards Lori should send a memo out to the Committee members updating them on the issue.

### **Adjournment**

Frank Klymn made a motion to adjourn the meeting, Jay Zanleoni seconded the motion and the motion passed unanimously.

The meeting adjourned at 8:52 a.m.