

MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

OPEN MEETING MINUTES

December 12, 2024

The regular meeting of the Maryland Small Business Development Financing Authority convened at 1:00 p.m. via teleconference only at 470-869-2200/meeting ID 428-245-6027.

The following were in attendance at this meeting:

Authority Members	MMG Staff
Les Hall	Tim Smoot
Gina Ramsey	Randy Croxton
Mara Sierocinski	Anthony Williams
Chuck Martin	Michael Howard
Sharon Pinder	Mark Harrison
	Marcella Nazario
	Robin Harris

Attorney General's Office
Roop Vijayan, Assistant Attorney General

MINUTES

November 26, 2024

EXTENSIONS

Compost Crew, Inc.

New City Construction, LLC- Withdrawn. The financing closed on December 10, 2024.

Stacato, LLC

MODIFICATIONS

Alodia Brands Inc.

CPB 1, LLC, t/a Chaps Pit Beef Glen Burnie

NEW REQUESTS

A.M. & Son Electric, LLC

DXC Trading, LLC

The closed session of the November 26, 2024, meeting was summarized. The Authority Board meeting was attended by Les Hall, Chuck Martin, Mara Sierocinski, Sharon Pinder, and Gina Ramsey. The meeting was closed to comply with requirements of the Maryland Public Information Act so that there would not be disclosure of confidential, commercial, and financial information associated with the applicants. The meeting was closed to discuss the new requests of Aidar Health, Inc. and American Continuing Education Solutions, LLC; and the modification requests of JesseJay's Company, LLC and New City Construction, LLC. All the requests were approved.

1. New City Construction, LLC – Approve modification to accept the risk that MSBDFA’s 1st place lien may be treated in different order when the Company goes through a bankruptcy process. In addition, the Authority to accept the risk that many UCC1 financing statements contain language that any further encumbering of collateral may constitute tortious interference.
2. JesseJay’s, LLC – Approve modification to extend loan maturity 5 years and amortize over 15 years and increase outstanding loan balance of \$262,000 to \$382,000.
3. Aidar Health, Inc. – New Deal. Approved \$800,000 in SSBCI in form of a SAFE.
4. American Continuing Education Solutions, LLC dba ACES Physical Therapy and Home Health – Approved \$250,000 of Term Loan, 60 months, 7% fixed, 1st lien on company assets; 3rd IDOT on residence of Courtland Wyatt at 14507 Saint Gregory Way, Accokeek, MD 20607.

MINUTES

November 26, 2024

Action Taken: Upon motion duly made and seconded, the Authority unanimously approved the minutes as presented.

EXTENSION

Presenter: Mark Harrison

Applicant: Compost Crew, Inc.

Loan Amount: \$1,122,000 EPIP SSBCI Term Loan

Original Approval Date: September 28, 2024

Comments: An extension of the approval date to the February 13, 2025, meeting was requested to allow more time for the financing to close.

Discussion: The was limited discussion regarding the status of the outstanding items needed to close the loan and the anticipated closing date.

Action Taken: Upon motion duly made and seconded, the Authority approved the request as presented.

EXTENSION

Presenter: Mark Harrison

Applicant: Stacato, LLC

Loan Amount: \$1,000,000 EPIP SSBCI Series B Preferred Units

Original Approval Date: September 26, 2024

Comments: An extension of the approval date to the February 13, 2025, meeting was requested to allow more time for the applicant to identify new investors to match the private sector funds.

Discussion: There was limited discussion regarding the total matching funds needed to close the loan.

Action Taken: Upon motion duly made and seconded, the Authority approved the request as presented.

The Open Meeting then closed at 1:20 p.m. upon motion made and seconded, and approved by all voting members, the meeting was closed pursuant to General Provisions Article, Section 3-305(b) (13), “to comply with a specific... statutory... requirement that prevents public disclosures about a particular proceeding or matter”, that is, the Maryland Public Information Act prohibits disclosure of trade secrets, confidential commercial and confidential financial information. Chairman Les Hall signed the Presiding Officer's Written Statement for Closing a Meeting under the Open Meetings Act, which is attached to these minutes as an exhibit.

APPROVED:

Celester A. Hall
Celester A. Hall (Feb 28, 2025 17:02 EST)

DATE: 28/02/25

Celester A. Hall, Chairman

MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

**PRESIDING OFFICER'S WRITTEN STATEMENT FOR CLOSING A MEETING
UNDER THE OPEN MEETINGS ACT
(General Provisions Article § 3-305)**

1. Recorded vote to close the meeting:

Date: 12/12/2024

Time: 1 pm – 2:10 pm

Location: Meridian Management Group, Inc., 826 East Baltimore Street, Baltimore, MD 21202/Held by conference call at 267.930.4000/684 358 366

Motion to close meeting made by: Sharon Pinder; Seconded by Gina Ramsey

Vote to Close Session:

	AYE	NAY	ABSTAIN	ABSENT
Celester Hall, Chair, Designee Secretary of Commerce	[X]	[]	[]	[]
Ben Seigel, designee of Comptroller	[]	[]	[]	[]
Charles Martin	[X]	[]	[]	[]
Kehinde Oreagba	[]	[]	[]	[]
Sharon Pinder	[X]	[]	[]	[]
Gina Ramsey	[X]	[]	[]	[]
Mara Sierocinski	[X]	[]	[]	[]

2. Citation of statutory authority to close session (check all that apply): This meeting is being closed under General Provisions Article § 3-305(b), only:

____ (1) To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; any other personnel matter that affects one or more specific individuals;

___ (2) To protect the privacy or reputation of individuals concerning a matter not related to public business;

___ (3) To consider the acquisition of real property for a public purpose and matters directly related thereto;

___ (4) To consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State;

___ (5) To consider the investment of public funds;

___ (6) To consider the marketing of public securities;

X (7) To consult with counsel to obtain legal advice on a legal matter;

___ (8) To consult with staff, consultants, or other individuals about pending or potential litigation;

___ (9) To conduct collective bargaining negotiations or consider matters that relate to the negotiations;

___ (10) To discuss public security, if the public body determines that public discussion would constitute a risk to the public or to public security, including: (i) the deployment of fire and police services and staff; and (ii) the development and implementation of emergency plans;

___ (11) To prepare, administer, or grade a scholastic, licensing, or qualifying examination;

___ (12) To conduct or discuss an investigative proceeding on actual or possible criminal conduct;

X (13) To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter;

___ (14) Before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, *if* public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

3. Disclosure of the topics to be discussed, for each citation checked above:

§3-305(b)(13) topics: Discussion and evaluation of the applications received from potential borrowers for financial assistance under programs of the Maryland Small Business Development Financing Authority, which applications include the disclosure of financial information of private individuals and confidential commercial and financial information.


§3-305(b)(7) topics: Legal advice from counsel to the Authority with respect to the applications.

4. For each topic listed in #2, disclosure of the reason for discussing it in closed session rather than in open session:

§3-305(b)(13): Financial information of private individuals is protected from disclosure under the Maryland Public Information Act (§4-336) and confidential commercial and financial information is protected from disclosure under the Maryland Public Information Act (§4-335).

§3-305(b)(7): Protection of the attorney-client privilege.

This statement is made by Celester Hall, Chair of the Maryland Small Business Development Financing Authority, Presiding Officer.


Celester Hall
Chair