

MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

OPEN MEETING MINUTES

December 20, 2022

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 due to the COVID-19 pandemic.

The following were in attendance at this meeting:

Authority Members	MMG Staff
Les Hall	Randy Croxton
Sharon Pinder	Anthony Williams
Clem Kaikis	Timothy Smoot
Chuck Martin	Michael Howard
Mara Sierocinski	Mark Harrison
	Tim Smoot
	Robin Harris

Attorney General's Office
Barbara Kountz, Deputy Counsel

MINUTES

November 10, 2022
December 2, 2022

EXTENSION

BuildSol, LLC
Mobtown Fermentation, LLC dba Wild Kombucha
Tres 'C, Inc.

MODIFICATION

Aidar Health, Inc.

NEW REQUEST

Aeon Technologies, LLC
Americas Autohaus, LLC dba Aktiv Automotive
Breaking Bread, LLC
Keep Company, Inc.
Hakes Construction, LLC

The closed session of the December 2, 2022, meeting was summarized. The Authority Board meeting was attended by Les Hall, Mara Sierocinski, Laura Pasternak, Clem Kaikis, Chuck Martin, Kenny Oreagba, and Sharon Pinder. 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 Performance of the Current MSBDFA Portfolio Companies for the period ending June 30, 2022.

MINUTES

November 10, 2022

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

MINUTES

December 2, 2022

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

EXTENSION

Presenter: Tim Smoot

Applicant: BuildSol, LLC

Loan Amount: \$250,000 EPIP Term Loan

Original Approval Date: August 11, 2022

Comments: An approval extension to January 26, 2022, was requested to allow more time for the loan to close.

Discussion: There was limited discussion regarding the anticipated closing date.

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

EXTENSION

Presenter: Anthony Williams

Applicant: Mobtown Fermentation, LLC dba Wild Kombucha

Loan Amount: \$150,000 EPIP Line of Credit

Original Approval Date: July 22, 2021

Comments: Approval was requested for a 60-day extension of the facility to February 26, 2023, to allow more time to prepare a renewal request.

Discussion: There was limited discussion regarding the maturity date expiration and the need for MMG to impress upon the borrower the importance of them meeting the deadline.

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

NEW REQUEST

Presenter: Michael Howard

Applicant: Tres C, Inc. t/a Jiffy Lube

Loan Amount: \$700,000 EPIP Term Loan

Original Approval Date: July 22, 2021

Comments: Approval was requested for an approval extension to January 26, 2023, to allow more time for the loan to close.

Discussion: There was limited discussion regarding the request.

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

NEW REQUEST

Presenter: Mark Harrison

Applicant: Aidar Health, Inc.

Loan Amount: \$200,000 EPIP Series Seed Preferred Stock

Original Approval Date: November 10, 2022

Comments: The following was requested for approval:

1. Accept the modified financial reporting obligations.
2. Delete the current language regarding MSBDFA's approval of all document amendments.
3. Delete the requirement that MSBDFA participate in the Company's next round of financing.

Discussion: There was limited discussion regarding MSBDFA's future investments in the company.

Action Taken: Upon motion duly made and seconded, the Authority unanimously approved the request as presented. MSBDFA will take the approach per the original term sheet for any additional investments above and beyond the approved financing.

The Open Meeting then closed at 1:35 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 - COMMERCE
Celester A. Hall - COMMERCE - (Jan 28, 2023 11:26 EST)

Celester A. Hall
Chairman

DATE: Jan 28, 2023

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: December 20, 2022

Time: 1:35 pm – 3:50 pm

Location: Held by conference call only due to COVID 19 pandemic at
470.869.2200/428 245 6027

Motion to close meeting made by: Sharon Pinder; Seconded by Clemis Kaikis

Vote to Close Session:

	AYE	NAY	ABSTAIN	ABSENT
Celester Hall, Chair, Designee Secretary of Commerce	[x]	[]	[]	[]
Clemis Kaikis, designee of Comptroller	[x]	[]	[]	[]
Charles Martin	[x]	[]	[]	[]
Kehinde Oreagba	[]	[]	[]	[x]
Laura Pasternak	[]	[]	[]	[x]
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