

MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

OPEN MEETING MINUTES

FEBRUARY 28, 2019

The regular meeting of the Maryland Small Business Development Financing Authority convened at 1:00 p.m. via teleconference.

The following were in attendance at this meeting:

Authority Members	MMG Staff
Les Hall	Anthony Williams
Clemis Kaikis	Mark Harrison
Laura Pasternak	Randy Croxton
Gina Ramsey	Robin Harris
Chuck Martin	

Attorney General's Office
Colleen Lamont, Assistant Attorney General

AGENDA

MINUTES

February 14, 2019

EXTENSION

AlphaHill, LLC - **WITHDRAWN**.
MainStreet Technologies, Inc.
Inheritance Child Care Center, LLC and Early Achievers, LLC
Anderson Engineering and Design, LLC
Bloosurf, LLC
Warren Brothers Construction, LLC

MODIFICATION

BingeNow, LLC
DuMore Sports, Inc.
Magothy Payments, Inc.

NEW REQUEST

Page Building Group, LLC – **WITHDRAWN**.

The closed session of the February 14, 2019, meeting was summarized. The Authority Board meeting was attended by Les Hall, Laura Pasternak, Gina Ramsey, Mara Sierocinski, and Clemis Kaikis. 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 held to discuss the modification/increase request of Williams Consulting, LLC. The request was approved.

MMG Staff presented the following minutes and extensions for approval:

MINUTES

February 14, 2019

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

EXTENSION

Presenter: Randy Croxton

Applicant: MainStreet Technologies, Inc.

Loan Amount: \$500,000 Contract Financing Line of Credit
(up to \$75,000 in mobilization)

Original Approval Date: December 10, 2015

Request: Extension of the maturity date to April 25, 2019, was requested.

Discussion: There was limited discussion regarding the need for a 60-day maturity date extension; and the expected receipt of the requested financial statements required to present a renewal request.

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

EXTENSION

Presenter: Randy Croxton

Applicant: Inheritance Child Care Center, LLC and Early Achievers, LLC

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

Original Approval Date: November 29, 2018

Request: Extension of the approval date to April 25, 2019, was requested.

Discussion: The following was discussed:

- a) Status of the selection of a contractor and project manager
- b) Start Date/Monitoring of Construction

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

EXTENSION

Presenter: Anthony Williams

Applicant: Anderson Engineering & Design, LLC

Loan Amount: \$300,000 EPIP Term Loan

Original Approval Date: November 8, 2018

Request: Extension of the approval date to April 25, 2019, was requested.

Discussion: There was limited discussion regarding the need for a 60-day maturity date extension.

Action Taken: Upon motion duly made and seconded, the Authority unanimously approved a 30-day approval extension to March 28, 2018.

EXTENSION

Presenter: Anthony Williams

Applicant: Bloosurf, LLC

Loan Amount: \$428,000 Guaranty Fund Line of Credit (80% Guaranty)

Original Approval Date: November 1, 2018

Request: Extension of the approval date to April 25, 2019, was requested.

Discussion: There was limited discussion regarding the status of the appraisals and a pending modification of the request.

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

EXTENSION

Presenter: Anthony Williams

Applicant: Warren Brothers Construction, LLC

Loan Amount: \$500,000 EPIP Line of Credit (up to \$100,000 in mobilization)

Original Approval Date: January 14, 2016

Request: Extension of the maturity date to April 25, 2019, was requested.

Discussion: There was limited discussion regarding the borrower's pending financing with M&T Bank.

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

REPORT

Presenter: Les Hall

Discussion: There is a shortfall in the funds available for the MSBDFA programs to complete FY2019. MSBDFA is at risk of running out of money. A \$5,000,000 Deficiency Appropriation Request has been submitted in the

current session of the general assembly to support the program financing activity for FY19 and FY20. COMMERCE is monitoring the progress of the request in the general assembly.

Action Taken: There was no action required. The following question was presented by an Authority member: Will MMG present new financing requests to the Authority if funds are not available to support the transaction? The response from the Chairman was that MMG will not present and the Authority will not entertain new financing requests if funds are not available to support the transaction.

REPORT


Presenter: Les Hall

Discussion: There is an Open Meetings Act On-Line training requirement for the Authority Board Members or its designee (Les Hall, Chairman). MSBDFA is in compliance with the requirement, however, the Secretary of COMMERCE has asked the Chairman to encourage Authority members to take the training. Les Hall will provide the link to Robin Harris for members interested in taking the training.

Action Taken: There was no action required.

The Meeting then closed at 1:25 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.

APPROVED:



Celester A. Hall
Chairman

DATE: 3-26-19