

MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

OPEN MEETING MINUTES

July 27, 2018

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

The following were in attendance at this meeting:

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

Attorney General's Office
Colleen Lamont, Assistant Attorney General

AGENDA

MINUTES

June 28, 2018

NEW REQUEST

CR SVS US, LLC, dba C.R. Services

MODIFICATION

Nepenthe Homebrew, LLC

RENEWAL

C&M Construction and Renovations, LLC
Unified Solutions, Inc.

EXTENSION

Binge Now, Inc.
dealWIP, Inc.
JesseJay's, LLC
Mahogany, Inc.
Paniagua's Enterprises, Inc.
Pinnacle Enterprise Business, LLC

Chesapeake Home Health
Domesticity, LLC and Real Creative, LLC
J. Marshall & Associates, LLC
New City Construction, LLC
Phenomenal, LLC

REPORT

Alli Rudell, LLC dba Log Cabin Candies

J. Marshall & Associates, LLC

The closed session of the June 28, 2018, meeting was summarized. The Authority Board meeting was attended by Gina Ramsey, Laura Pasternak, Mara Sierocinski, Clemis Kaikis, Les Hall, Sharon Pinder, and Chuck Martin. 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 new requests of Inheritance Child Care Center, LLC & Early Achievers, LLC; Physical and Sports Rehab, Inc.; Precise Telehealth, Inc.; Simon Says Family LLC dba It Takes a Village Childcare Center; Strum Contracting Company, Inc.; Sweet Spice Bake Shop, LLC; and The C2 Contracting Company, LLC. All of the requests were approved.

MMG Staff presented the following minutes and extensions for approval:

MINUTES

June 28, 2018

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

EXTENSION

Presenter: Randy Croxton

Applicant: Domesticity, LLC and Real Creative, LLC

Loan Amount: \$225,000 EPIP Term Loan

Original Approval Date: April 26, 2018

Request: Extension of the approval date to September 13, 2018.

EXTENSION

Presenter: Randy Croxton

Applicant: JesseJay's, LLC

Loan Amount: \$450,000 EPIP Term Loan

Original Approval Date: April 26, 2018

Request: Extension of the approval date to September 13, 2018.

EXTENSION

Presenter: Randy Croxton

Applicant: Mahogany, Inc.

Loan Amount: \$1,250,000 Guaranty Fund Line of Credit (50% guaranty)

Original Approval Date: September 8, 2011

Request: Extension of the maturity date to September 13, 2018.

Discussion: There was limited discussion regarding the pro-rated guaranty fee made during the period between the maturity date of the line of credit and the actual renewal.

EXTENSION

Presenter: Randy Croxton

Applicant: Paniagua's Enterprises, Inc.

Loan Amount: \$300,000 Contract Financing Line of Credit

Original Approval Date: February 26, 2015

Request: Extension of the maturity date to September 13, 2018.

EXTENSION

Presenter: Randy Croxton

Applicant: Pinnacle Enterprise Business Solutions, LLC

Loan Amount: \$200,000 Contract Financing Line of Credit
(mobilization funding up to \$40,000)

Original Approval Date: August 13, 2015

Request: Extension of the maturity date to September 13, 2018.

Discussion: There was limited discussion regarding the owner's home loan modification.

EXTENSION

Presenter: Anthony Williams

Applicant: Chesapeake Home Healthcare, Inc.

Loan Amount: \$200,000 Contract Financing Line of Credit

Original Approval Date: November 20, 2014

Request: Extension of the approval date to September 13, 2018.

EXTENSION

Presenter: Mark Harrison

Applicant: BingeNow, LLC

Loan Amount: \$400,000 InvestMD Convertible Note

Original Approval Date: April 12, 2018

Request: Extension of the approval date to September 13, 2018.

EXTENSION

Presenter: Mark Harrison

Applicant: dealWIP, Inc.

Loan Amount: \$200,000 InvestMD Convertible Note

Original Approval Date: March 8, 2018

Request: Extension of the approval date to September 13, 2018.

Discussion: There was limited discussion regarding the location of the company's principals as it pertains to the business and its headquarters. MMG was requested to provide a report during the next meeting.

EXTENSION

Presenter: Tim Smoot

Applicant: New City Construction, LLC

Loan Amount: a) \$75,000 EPIP Revolving Line of Credit
b) \$135,000 EPIP Term Loan

Original Approval Date: February 8, 2018

Request: Extension of the approval dates to September 13, 2018.

EXTENSION

Presenter: Tim Smoot

Applicant: Phenomenal, LLC

Loan Amount: \$175,000 EPIP Line of Credit
(mobilization funding up to \$50,000)

Original Approval Date: - March 31, 2016

Request: Extension of the maturity date to September 13, 2018.

EXTENSION/REPORT

Presenter: Tim Smoot

Applicant: J. Marshall & Associates, LLC

Loan Amount: a) \$400,000 EPIP Term Loan
b) \$100,000 EPIP Line of Credit

Original Approval Date: November 21, 2017

Request: Extension of the approval dates to August 23, 2018.

Comments: As a condition of the approval, MMG was required to provide a report to the Authority regarding the status of several due diligence items and the final negotiations of the acquisition.

Discussion: There was limited discussion regarding the reported items and their responses; the need for an equity investment greater than or equal to 5%; and the collateral pledged for the financings.

Action Taken: Upon motion duly made and seconded, the Authority unanimously approved all of the extensions and accepted the report as presented.

REPORT

Presenter: Randy Croxton

Applicant: AlliRudell, LLC dba Log Cabin Candies

Loan Amount: \$250,000 EPIP Term Loan


Original Approval Date: May 24, 2018

Comments: The MSBDFA loan closing was subject to the Harford County term loan closing prior to or at the same time as MSBDFA. Harford County's closing process requires the signature of the County Executive, which can take up to two weeks to obtain after the documents have been executed by the borrower. MMG requested approval to close the loan when the borrower executes the Harford County loan documents.

Action Taken: The request was approved on behalf of the board by Les Hall, MSBDFA Authority Board Chairman, due to the urgency to close and to allow the borrower to begin manufacturing.

The Meeting then closed at 1:45 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:

8-30-18