

**MINUTES OF THE FEBRUARY 10, 2022 MEETING OF THE MEMBERS
OF THE FINANCE AUTHORITY OF MAINE**

Chair Daigler called the February 10, 2022 meeting of the Finance Authority of Maine to order at 9:02 a.m. This meeting was conducted both in-person at the Augusta Civic Center and virtually through Zoom. Provisions were made for the public to attend.

Legal Assistant, Summer Knowlton, noted for the record that the members had received an Agenda and Notice of Meeting and that notices of the meeting had been published in certain newspapers throughout the state (*see Affidavits of Publication attached as Appendix 2*).

A. CALL TO ORDER

Ms. Knowlton called the roll of the members and noted that there were sufficient members present for the purpose of beginning the meeting.

Those members present were as follows:

David Daigler, Chair
Dustin Brooks, Treasurer
Henry Beck
Heather Johnson
Amanda Beal
Renee Ouellette
Bettyann Sheats (virtual)
James Howard
Tim Nightingale (virtual)

Those members absent:

Rebecca Asen
Omar Andrews
Lee Webb
Richard Trafton, Vice Chair
Blue Keim

Guests:

Andy St. Pierre, Pennacook Falls LTD.
Tony Carter, Pennacook Falls LTD.
Duane Crawford, The First National Bank

Staff present:

Christopher Roney, General Counsel
Shelly Desiderio, Chief Accounting Officer (virtual)
Martha Johnston, Director of Education
Elizabeth Vanderweide, Director of Business Development
Jennifer Cummings, Director of Business Programs (virtual)
Scott Weber, Senior Credit Officer
Matthew Lindquist, Commercial Loan Officer
Summer Knowlton, Legal/HR Assistant

A: CALL TO ORDER (deferred until quorum present)

A1: CEO REPORTS

Mr. Harvell updated the board on cybersecurity procedures.

Ms. Desiderio presented the quarterly financial results, which were overall favorable for FAME.

Mr. Mello gave the CEO report, where FAME has already surpassed the loan volume for FY2021 in just 2 quarters of FY2022. Mr. Mello also noted the significant level of contributions to NextGen 529, where \$1.6 billion in was contributed in calendar year 2021, up 33% from record levels. Additionally, FAME is working on their relationship with ASF/HAF and making progress. Lastly, FAME has selected a provider to build a web portal for the distribution of American Rescue Plan Act and State Small Business Credit Initiative funds in collaboration with various economic development organizations across the State, streamlining the application process for businesses. Commissioner Johnson commented on the portal, saying it will be best in its class when complete. Additionally, FAME cash reserves are at the highest level they have ever been. Commissioner Johnson noted that FAME ought to start taking more risk.

Ms. Beal entered the meeting at 9:25 a.m.

A2: Ascertainment of Quorum 9:32 a.m

A. CALL TO ORDER

Ms. Knowlton called the roll of the members and noted that there were sufficient members present for the purpose of beginning the meeting.

Those members present were as follows:

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Henry Beck
Heather Johnson
Amanda Beal
Renee Ouellette
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Elizabeth Vanderweide, Director of Business Development
Jennifer Cummings, Director of Business Programs (virtual)
Scott Weber, Senior Credit Officer
Matthew Lindquist, Commercial Loan Officer
Summer Knowlton, Legal/HR Assistant

B: ACTION ITEMS 9:33 a.m.

B1: Loan Modification Request- Pennacook Falls, LTD.

Mr. Lindquist presented the loan modification request as well as guests Andy St. Pierre and Tony Carter from Pennacook Falls LTD and Duane Crawford from The First National Bank. Mr. Lindquist provided background information, where Pennacook has run significantly over its construction budget due to many factors, primarily increases in cost of materials. Pennacook was originally approved by the FAME board for 75% insurance on a \$4.1 million loan as well as a \$500,000 direct loan as the last dollar into the project. The current request was to release funds in the debt service coverage account (required by FAME on CLI Loan) to help fund construction overages and to temporarily waive the “No New Debt” clause on the FAME Direct Loan to allow new loans from First National Bank, Maine Rural Development Authority (MRDA), Androscoggin Valley Council of Government (AVCOG) and the Town of Rumford not to exceed \$1,450,000. FAME Staff is recommending approval of the requests for the public benefit of the project, given that it is in such a remote area of Maine with no current accommodations. Mr. Lindquist added that this request does not increase FAME’s exposure from the original, but rather will allow the construction of the hotel to finish and begin occupancy/revenue. Mr. Lindquist added that the commercial loan insurance does not begin until the occupancy permit is obtained. Additionally, the request would require any new debt (coming primarily from MRDA and the Town of Rumford) to be on default standby.

A motion to enter Executive Session under 10 MRSA §975-A(2)(B) was made by Mr. Beck, seconded by Mr. Brooks, and approved by a vote of 7 in favor, 0 opposed, and 0 abstentions. (2 additional votes in favor were cast virtually.)

Members entered Executive Session No. 1 at 9:42 a.m.

Members exited Executive Session No. 1 at 10:20 a.m.

Mr. Brooks noted for the record that he supports the request for the economic development of Rumford and other parts of Western Maine, and that he would like a follow-up meeting with Pennacook after the project is complete and the hotel has had occupancy.

A motion to approve the loan modification request was made by Ms. Johnson, seconded by Mr. Brooks, and approved by a vote of 7 in favor, 0 opposed, and 0 abstentions. (2 additional votes in favor were cast virtually.)

B2: Approval for Adoption- Chapter 620: Maine Health Care Provider Loan Repayment Pilot Program

Mr. Norbert introduced the rule, which has had some changes to its original draft as a result of public comments from stakeholders, such as hospitals and professional organizations. The major changes to the rule were the healthcare occupations that it served.

A motion to approve the rule for adoption was made by Mr. Beck, was seconded by Mr. Howard, and approved by a vote of 7 in favor, 0 opposed, and 0 abstentions. (2 additional votes in favor were cast virtually.)

B3: Approval of the January 13, 2022 Executive Committee Meeting Minutes

B4: Approval of the February 3, 2022 Executive Committee Meeting Minutes

B5: Approval of the January 11, 2022 Business Committee Meeting Minutes

B6: Approval of the January 20, 2022 Board Meeting Minutes

A motion to approve (1) the minutes the January 13, 2022 Executive Committee Meeting; (2) the minutes of the February 3, 2022 Executive Committee Meeting; (3) the minutes of the January 11, 2022 Business Committee Meeting and (4) the minutes of the January 20, 2022 Board Meeting was made by Mr. Brooks, seconded by Ms. Ouellette, and approved by a vote of 7 in favor, 0 opposed, and 0 abstentions (2 additional votes in favor were cast virtually.)

D: CHAIR'S REPORT *10:29 a.m.*

Mr. Brooks left the meeting at 10:30 a.m.

Mr. Daigler updated the board on Executive Committee discussions, including progress with the CEO Search Committee and work on the FAME and ASF/HAF relationship as Mr. Mello reported earlier in the meeting.

The meeting adjourned at 10:29 a.m.

Respectfully submitted,

David Daigler, Chair