

Washington County Local Development Corporation
Loan Review Committee - Meeting Minutes
Tuesday, February 13, 2018 - 10:00 a.m.
LDC Conference Room

Board Members Present: Dave O'Brien, Brian Campbell, Jay Niles, John Rozell, Sue Clary and Dana Hogan

Staff Present: Deanna Derway – WCLDC President

Others Present: Claude Barrett, Chelsey Allen, Kris and Heather March and Cynthia Bennett

I. Call to Order

President Derway called the meeting to order at 10:02 AM. Dave O'Brien made a motion to appoint Jared Humiston as Chairman of the Loan Review Committee. Brian Campbell seconded and it was approved unanimously.

II. Approval of Meeting Minutes

After reviewing the minutes from the December 2017 meeting, Brian Campbell made a motion to approve as presented. Jay Niles seconded and they were approved unanimously.

III. Old Business - None

IV. New Business

A. Loan List Update

Next, The Committee reviewed the current loan list update. ICC Management missed the January payment and therefore is still behind. They did make a double payment on 2/8 and Deanna reached out and requested that they enroll in automatic debit payments so that they do not fall behind on payments as they have the past 2 years. Deanna will update on this again in March. Esther Davis also reached out and they've had some serious health problems but, plan to get back on track with the principal payments in spring. Since we have so many new members on the Board, the LDC attorney, Russ Tharp, would like to come in and update everyone on what the foreclosure process will entail now that it is imminent. Deanna will set up a time for him to come in. Locust Grove missed their payment but, Deanna spoke with them at the site visit and they'll get caught up by March 1st. Deanna also let the Committee know that she is working on completing site visits for the 44 active loans.

B. Loan Application Review – Slickfin Brewing Company

Next, the Committee reviewed a loan application request for Slickfin Brewing Co in the amount of \$74,000. Kris and Heather March were present to represent the project. The Committee discussed their plans to lease and renovate the property in Fort Edward. The March' have been brewing at home for about 6 years now and have been involved in numerous competitions in Vermont (Bennington) and surrounding areas which has allowed them to create a fan base for their beers. They have 5 fan favorite beers which will be on tap in addition to the special brews that they will have throughout the year. They will not be going into the food end of the business but, people can bring food in or have food delivered to them while at the brewery. They will also be working with the village to hopefully offer food trucks throughout the year. They also plan to take advantage of the yacht basin boat traffic and will offer some outdoor seating areas. There was no further discussion and Jay Niles made a motion to approve the loan. Brian Campbell seconded and it was approved unanimously.

C. Loan application review – Cynthia Bennett

Next, the Committee reviewed a loan application request for Cynthia Bennett in the amount of \$100,000. Cynthia Bennett was present to represent the project. Cindy is looking to purchase the Venus diner in Hudson Falls. This property houses a diner that has been open for over 10 years and a laundromat that has been closed for several years. Ms. Bennett discussed her plans to purchase the property and renovate it (including and Adirondack feel to the façade) the diner to include an event hall area for private parties and events (they would also host bands, line dancing, and senior citizen dinner nights etc.). Ms. Bennett said that the current diner operator will continue on with a 3 year lease and will pay rent to her. The retail space would be leased by Cindy for her Professional Esthetic and nail salon (Cindy's Beauty Service) and will have space available for lease (space for 2 other technicians to rent). She also plans to go before the Hudson Falls planning Board with plans to add an apartment for her to live on site which will also reduce her costs in the long run. Thus far, Ms. Bennett has invested over \$20,000 of her own funds for equipment, renovations and furniture. There was no further discussion and Dana Hogan made a motion to approve the loan. John Rozell seconded and it was approved unanimously.

D. Loan application review – Bonnie & Clyde's Gourmet on the Run

The Committee also reviewed an application for Bonnie & Clyde's Gourmet on the Run who is seeking \$20,000 for equipment purchase. Claude and Chelsey were present representing the project. They currently have a loan with the LDC and are current on payments. Since opening in 2017, business has been stellar which has created the need for increased cold storage. Therefore, they would like to purchase an exterior walk in cooler in order to reduce the need for multiple trips per week to the

local farms for produce. There was no further discussion and Brian Campbell made a motion to approve the loan. Jay Niles seconded and it was approved unanimously.

E. Miscellaneous

Next, Deanna updated the Committee in regards to the Whitehall property and let them know that the LDC attorney, Russ Tharp will be attending the 4/20 Board of Directors meeting with a foreclosure update. Deanna also let the Committee know that she has completed more than half of the site visits and will continue to gather the documentation and data from the loan recipients.

V. Adjournment

The meeting was adjourned at 11:32 AM. Motion made by Brian Campbell, seconded by Jay Niles and approved by all.

Dated: June 6, 2018



Jared Humiston, Chairman

Respectfully submitted,
Deanna Derway, Executive Director