

Washington County Local Development Corporation

Loan Review Committee - Meeting Minutes

**Monday, October 26, 2020 – 10:00 a.m.**

*Meeting held with the option of joining via zoom or In-person – recording available*

**Board Members Present:** Dave O'Brien, Mark Mahoney, Dave Higby, Brian Campbell and Sam Hall

**Staff Present:** Deanna Derway – WCLDC President

**Others Present:** Bri Rabine, Lora Bacharach, Mark Bardin and Daniel Courtney

**I. Call to Order**

The meeting was called to order at 10:04 AM.

**II. Approval of Meeting Minutes**

After reviewing the minutes from the July meeting, Brian Campbell made the motion to approve. Sam Hall seconded, and it was approved unanimously.

**III. Old Business - None**

**IV. New Business**

**A. Loan List Update**

Next, The Committee reviewed the current loan list update. Deanna gave the following updates: Roundhouse Bakery is still working to come to a deal with Hubbard Hall in order to sell the equipment (this will require our approval) in order to pay down the loan balances and re-amortize those loans. Gramps Old School (Center Falls Projects) won a historical preservation award this week. They had a nice, socially distanced, ceremony at the property to present them with the award and give tours. Thank you to Dave Higby and Don Ward for joining us. Starky's Grill remains delinquent as he battles cancer and COVID restrictions at the same time. I will continue to keep in touch with him to assess his needs and will work with LRC to address his evolving situation. Party Pooperz and Hogwash Cleaning Solutions closed on their property and paid off both loans in full this week which gives us about \$1 million available for lending. One of Bonnie & Clyde's loans has fallen behind as well; Deanna reached out and they are having housing issues and COVID related restrictions are also having an impact on the business. Again, Deanna will continue to assess their needs and keep the Committee and BOD updated on this account.

**B. Loan Application Review – Paws for Obedience**

Next, the Committee reviewed a loan application request for North Country Paws for Obedience in the amount of \$149,000 to purchase the property located at 4202 State Route 4 in Kingsbury. Bri Rabine and Lora Bacharach were both present to represent the project. Bri and Lora are also putting \$55,000 of their own funds towards the property purchase which we would have a first mortgage on. This would be the second location for this business who has been operating on Route 9 in South Glens Falls for 4 years. The property in Kingsbury would allow for them to expand their programs and offerings as it has just over 30 acres in a more rural setting as opposed to less than an acre on a heavily trafficked road as they have now. The outdoor acreage will allow them to work with dogs on dock diving, off leash training, hiking etc. (field environment). This would set them apart from any competitors as they would be a one stop shop with basic and unique program offerings. The ladies do not have any potential to expand at the current location as they are maxed out of space on the lot. They currently have about 1,200 clients which the Committee was impressed with but, the new location would also allow them to expand this client base as they currently have a waiting list for their programs. The Committee asked them how they have fared during the COVID crisis to which they discussed using this time as an opportunity to expand not only their offerings but, their continuing education as well. They developed an online university program for dogs and their owners which allowed them to expand their reach and attract new clients. The property they are purchasing is a newer building in a mostly commercial area where the dogs will not only have space but, also no neighbors to worry about the sound. The Committee was impressed with the loan package submitted as well as the creativity and work ethic of Lora and Bri. The Committee discussed the interest rate and decided that dropping the rate to our floor of 5% would be the best course of action during this pandemic. The Committee had no further questions and Brian Campbell made a motion to approve, Dave O'Brien seconded, and it was approved unanimously.

**C. Loan Application Review – Bardin’s LLC**

Next, the Committee reviewed a loan application request for Bardins LLC in Granville in the amount of \$150,000 to renovate the property he already owns located at 66 Quaker St., in Granville. Mark Bardin was present to represent the project. Mark previously operated Bardin’s Tire Service at the same location until 2016. He is looking to reopen the property as a car wash. The funds would be used to purchase equipment, pave the parking lot, new garage doors, and renovations to the building including a repair the roof. The Committee asked Mark about the status of the property as there was a spill on the property a few years ago. Mark said that the property cleanup had been completed and approved by DEC. The Committee told Mark that if approved, he would need to provide proof of this clearance from the DEC and Town of Granville. For this first phase of the project, Mark plans to open the automatic car wash and the next phase would be to add 2 bays for manual car wash (in the existing structure). The Committee had no further questions and Brain Campbell made a motion to approve with a second from Sam Hall. The project was approved at 5% interest with 4 ayes and 1 Abstention. (Ayes: Brian Campbell, Sam Hall, Dave Higby and Mark Mahoney. Abstention: Dave O’Brien who has known Mark Bardin personally for many years)

**D. Loan Application Review – Faded Clipz**

Next, the Committee reviewed a loan application request for Daniel Courtney (DBA/Faded Clipz Barbershop) in the amount of \$10,000 in order to purchase equipment and do some minor renovations to the space located at 128 Broadway in Fort Edward. Daniel is already leasing the space in Fort Edward. The committee asked was sets him apart from others in the area to which Daniel replied that he is from Fort Edward and therefore already has a customer base and wants to add to the village business community that is growing in Fort Edward. He also went to Beauty school, obtained a business degree and got his barbers license. He also offers hot towels, steam machines and hot shaves in addition to the haircut menu. He is strictly a barber and will focus on men and boy’s haircuts which he specializes in. He plans to have a traditional, old school atmosphere and will offer discounts to first responder and military personnel. He highlighted that the rent is only \$600 which allows for him to turn a profit fairly quickly. He was asked about competition which, Daniel said that there are 2 shops in Fort Edward, 1 is owned by an older gentleman who is slowing his business down and most likely gearing up for retirement. The other is a newer shop at the top of the hill but, the cost for a cut at this location is much higher than what Daniel is charging which he hopes will also help to set him apart. The Committee feels the ambition and passion that this gentleman brings to this project but, have some concerns about the ability to succeed in an unstable business climate. However, we discussed the fact that people still need to get their hair cut during this time and that once lockdown was lifted, that was the first thing most people did. The collateral for this one would be all of his equipment as well as a personal guarantee. Sam Hall expressed concern that although this is a small loan, Daniel is very young and opening a business in uncertain times with equipment as collateral. Dave O’Brien expressed that if approved, we would like to make sure that Daniel talks with an accountant and an attorney before hiring any employees to be sure the impact and format of said employees would be fully understood (would they be 1099 or full on employees, type of insurance required of employees etc.). The Committee went back and forth discussing this and ultimately, Dave Higby made a motion to approve the loan at 5% interest, Mark Mahoney seconded, and it was approved with 4 ayes and 1 nay. (Ayes: Dave Higby, Mark Mahoney, Dave O’Brien and Brian Campbell. Nay: Sam Hall)

**E. COVID Updates**

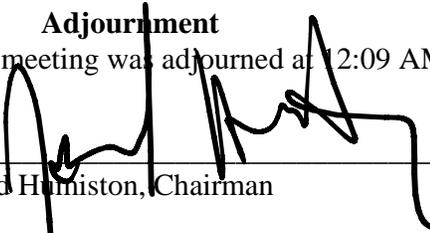
Updates about COVID and the effect on our loan portfolio was discussed earlier in the meeting under Loan List update.

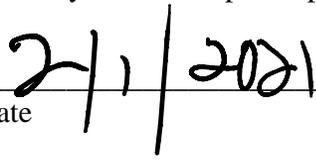
**F. Miscellaneous**

None

**V. Adjournment**

The meeting was adjourned at 12:09 AM. Motion made by Sam Hall, seconded by Brian Campbell approved by all.

  
\_\_\_\_\_  
Jared Humiston, Chairman

  
\_\_\_\_\_  
Date

*Respectfully submitted by, Deanna Derway, Executive Director*