

Washington County Local Development Corporation  
Loan Review Committee  
**Tuesday, June 13, 2017**  
**9:00 a.m.**  
Meeting Minutes

**Board Members Present:** Dana Haff, Jared Humiston, Dave O'Brien and Casside Fedler

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

**Others Present:** Susan Knapp, Glenn Wetherell, Bill Wade and Ted Bearor

**I. Call to Order**

Dave O'Brien called the meeting to order at 9:04 a.m. The Committee reviewed the minutes from the May meeting. Jared Humiston made the motion to approve and Dana Haff seconded. It was approved unanimously.

**II. Loan List Update**

Next, The Committee reviewed the current loan list update. Darlene from Renaissance made her payment as based on her payment plan. ICC Management and Esther Davis are both still behind; ICC made 2 payments at the beginning of June and will continue to work to get caught up. Deanna also spoke with Esther Davis who had some health problems over the winter and she has said that she intends to get caught up on payments by the end of June.

**III. New Business**

A. Next, the Committee reviewed an application proposal for Slate Town Brewing Company in Granville who is asking for \$145,000 in order to purchase machinery/equipment, working capital and renovations to the property which they've already purchased. Susan and Glenn were both present representing the project. The Committee discussed the applicants' background in the business and the fact that Susan was co-owner of Hicks Orchard/Slyboro Cider house and Glenn also worked there and has been a home brewery for approximately 13 years. They will be working together with Slyboro to be mutually beneficial to each other's businesses by serving/selling each other's products. The brewery will have 6 or 7 brews to start with and will also offer a pub menu and sell wholesale. There will be approximately 60 seats (plus outdoor seating) and they will focus on utilizing fresh, local and unique foods. There was no further discussion and Jared Humiston made a motion to approve the loan at 6% interest for a 15 year term. Cassie Fedler seconded and it was approved unanimously.

B. Next, the Committee reviewed an application request from Greenwich Preservation Group, LLC who was seeking \$300,000 for a mixed use village renewal project of multiple properties on Main Street in downtown Greenwich. William and Ted were in attendance representing the project. This project would breathe life back into Wallies restaurant, a local favorite that has been empty for over 10 years, as well as, add a farmers market, distillery, office space and village parking. This project would add approximately 21 jobs to the community where both William and Ted are from and live. They are looking to open a restaurant with seating for 60-80 people and are looking at a Spring 2018 opening. This project also involves 2 banks and 2 state grants therefore, the Committee discussed the fact that the LDC would be behind the co-equal first mortgage position of Glens Falls National Bank and Adirondack Trust for collateral; due to this fact, the Committee is concerned that there is a lack of collateral to back up the full funding request. The Committee discussed collateral options with the applicants and the explained that they feel that there is enough collateral to back up \$150,000 in funding but, not the full \$300,000 request. Deanna explained that she had met with the banks involved and clarified our position and the banks discussed ways to potentially come up with the additional funding. The Committee also discussed other collateral options with the applicant noting that the LDC would need to be first on any additional collateral and that Deanna look into any proposed properties etc. At the current time however, Dave O'Brien made a motion to approve them for \$150,000 at 6% interest for a 15 year term. Dana Haff seconded and it was approved unanimously. If the applicants come up with additional collateral to pledge, the Committee would then take the loan to the full Board of Directors for review of the project.

C. The Committee then reviewed a loan modification for Battenkill Valley Fibers whose loan closed on 4/29/2010 and matures on 8/5/2017. Over the 7 year term of the loan, MJ was granted numerous modifications that resulted in a significant balance left over at maturity. The Committee discussed the fact that large balance is due to the modification requests of the business and the fact that the balance of approximately \$88,000 is far too high to pay off therefore, we must look at re-amortizing the loan for a new term. The loan was originally approved at 5% interest but, current loans are approving at 6%. Cassie Fedler made a motion to approve a new 5 year term from maturity date at 6% interest. Jared Humiston seconded and it was approved unanimously. The Committee also noted that there will be no further modifications granted for this business.

**VIII. Adjournment**

The meeting was adjourned at 10:50 am. Motion made by Dave O'Brien, seconded by Cassie Fedler and approved by all.

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Rich Norman, Chairman