

Washington County Local Development Corporation
Loan Review Committee
Tuesday, September 29, 2015
8:45 a.m. - LDC Conference room

Present: Seth Pitts, Dana Haff, Rich Norman (came in at 8:56), Jay Niles, Jim Lindsay and Dave O'Brien
Others Present: Deanna Derway, WCLDC President and Lynne & Mark Faille

Jim Lindsay called the meeting to order at 8:45 a.m.

The Committee reviewed the minutes from the July meeting. Jay Niles made the motion to approve and Seth Pitts seconded. There was no further discussion and it was approved unanimously.

Next, the Committee reviewed a loan application for Simply Grazin' LLC who was seeking \$150,000 in order to further expand their Beef/Pork/Poultry business. Mark and Lynne Faille were present representing the project. The applicants produce 100% grass fed beef & veal and organic and pasture raised pork and poultry utilizing multiple locations on the East Coast. They are looking to increase the efficiency, capacity and animal welfare of their beef and pork operation by purchasing additional acreage in Granville. They would also be concreting in the barn yard at the Fort Ann based farm and erecting 2 new buildings. The Committee asked how they wound up choosing this particular property to which the applicants said that it met their acreage requirement and was available at the right time. They also said that they are willing to expand further if other properties fitting their needs become available locally. The Committee asked about how their pigs are raised and they explained that they have been raising non-farrowed pigs for 20 years. The biggest challenge that the applicants face is the availability of slaughtering facilities that can meet the quantities that they need, they hope that by expanding here it will be a catalyst for other related businesses as they feel this market is ready to grow. Dave O'Brien made a motion to approve the application. Dana Haff seconded and it was approved unanimously.

Next the Committee reviewed a preapproved CDBG grant that is structured as a 50/50 forgivable grant/payable loan that needs to have the rate and term determined as the next steps to move forward with the project. The Committee, who is familiar with the project already, reviewed and discussed the details of the project which were proposed as a 10 year term at 7% fixed interest rate. Dave O'Brien made a motion to approve this rate and term. Jay Niles seconded and it was approved unanimously.

Next, The Committee reviewed the current loan list update and discussed the current status of each account. Deanna informed the Committee that all of the loans are current with payments as of today's meeting date.

The meeting was adjourned at 9:25 a.m. Motion made by Dave O'Brien, seconded by Jay Niles and approved by all.

DD

Seth Pitts, Chairman

Date