

Revolving Loan Fund Loan Administrative Committee

January 14, 2020 10:00am

Lake Champlain – Lake George Regional Planning Board office, Lake George, NY

MEETING MINUTES - DRAFT

Agenda:

1. Welcome and Introductions
2. Committee Composition
3. Election of a Chairperson
4. Election of a Secretary
5. Approval of 6/25/19 and 10/8/19 minutes
6. Review of By-Laws, Ethics Policy, Investment Policy, Videoconferencing Policy and Sexual Harassment Policy
7. Loan Balance Report ending 12/31/2019
8. Orlando, Witherbee's, Brand, 9-Mile, and other legal action discussion
9. David Smith – American Oak Whiskey and Izzy's Market in North Creek
10. Meeting Schedule – second Tuesday of month beginning quarter
 - April 14, 2020
 - July 14, 2020
 - October 13, 2020

Attendance:

Patty Waldron, County Legislator and Small Business Owner, Clinton County
Christy Wilt, Director of Economic Development & Hamilton County IDA, Hamilton County
Chad Richards, Assistant Vice President of Corporate Banking, Warren County
Marc Monahan, Vice President, NBT Bank
Chris Hay via phone, Dannemora Federal Credit Union
Carol Calabrese, Essex County IDA, Essex County
Harry Booth, Small Business Owner, Washington County
Beth Gilles, LCLGRP staff
Carrie Yakush, LCLGRP staff

Ms. Gilles called the meeting to order at 10:05 A.M. at the LCLGRP office, Lake George, New York

WELCOME AND INTRODUCTIONS:

Attendees introduced themselves and stated where they are from.

COMMITTEE COMPOSITION

The current 2019 members agreed to remain on the committee for 2020.

ELECTION OF A CHAIRPERSON

Ms. Gilles stated that currently the chairperson of the committee is Christy Wilt. The role of the chairperson is to run the meetings and provide an update to the Board of Directors at the Regional Planning Board meetings. Ms. Gilles opened the floor for nominations of a chairperson. Carol Calabrese made a motion to nominate Christy Wilt, seconded by Patty Waldron. No other nominations were made. Motion carried.

ELECTION OF A SECRETARY

Ms. Gilles opened the floor for nominations of a secretary. Christy Wilt nominated Chad Richards, seconded by Harry Booth. No other nominations were made. Motion carried.

APPROVAL OF 6/25/19 AND 10/8/19 MINUTES

Ms. Gilles asked if there are changes for either of the minutes. No changes. Patty Waldron made a motion to approve both sets of minutes, seconded by Chad Richards. Motion carried.

REVIEW OF BY-LAWS, ETHICS POLICY, INVESTMENT POLICY, VIDEOCONFERENCING POLICY AND SEXUAL HARASSMENT POLICY

Ms. Gilles presented a binder with the loan committee's by-laws, and RPB's ethics policy, investment policy videoconferencing policy and sexual harassment policy, which had all previously been sent to the committee for review. Ms. Gilles asked for a motion to re-affirm all the policies. Motion made by Patty Waldron, seconded by Marc Monahan. Motion carried.

LOAN BALANCE REPORT ENDING 12/31/2019

Ms. Gilles reviewed the 12/31/2019 loan balance report. Under RLF 1: 9-Mile Coffee still hasn't taken the rest of his loan money. Thomas Barber, Agri-Park #2 and Agri-Park #1 were all sent 30-day past due letters due to being late. Under RLF 2/3: Schroon Lake is technically 90 days late. Under RLF 4: legal action is being pursued on Adirondack Meat and Cooper Logging. Ms. Gilles stated that our loan balances are healthy and RLF 1 needs money disbursed to new loans so that the fund does not rise above the RLF Allowable Cash Percentage set by the EDA.

ORLANDO, WITHERBEE'S, BRAND, 9-MILE, AND OTHER LEGAL ACTION DISCUSSION

At the last meeting, the committee approved a loan modification for Orlando. Because the bank reduced the payments in September of 2012 and Orlando didn't start to make payments until December of 2012, Orlando has been carrying late since 2013. The committee authorized modification and Orlando still needed to pay the back interest. A letter was mailed to Orlando on October 24, 2019 regarding the modification to which Orlando responded that he didn't agree to paying the back interest, only the increased monthly payment. Upon discussion with the committee it was agreed upon to send Orlando a letter stating that the \$231.61 is not a fee rather back interest owed and if Orlando doesn't agree to pay then he is in breach to his loan agreement and the LCLGRP can and will pursue legal action.

Ms. Gilles discussed Witherbee's late fee. It wasn't paid within the 10-day window stated, but she did pay it. The Committee agreed to waive the late fees. The committee advised in the future to hold

people accountable on due dates.

Ms. Gilles discussed the Brand loans. Joe Brand has been paying every month since the end of October. Brand has also paid \$10,000 of closing costs. Brand is making improvements on his payment history.

Ms. Gilles discussed 9-Mile Coffee. Brian Hosan had emailed Ms. Gilles wanting to change what he is going to buy with the loan money. It was supposed to be for equipment. Now Brian wants to know if he can purchase furnishings with it. Ms. Gilles emailed Brian asking if he was still going to use the bulk of the money to buy the equipment. We would use the equipment as collateral. Brian hadn't gotten back to Ms. Gilles as of the meeting. The committee stated he needs to use the loan money as intended, for equipment purchases.

Ms. Gilles stated we are waiting on the criminal case to wrap up for Adirondack Meat.

Ms. Gilles briefly discussed Michael Finnegan and Anton Cooper.

IZZY'S MARKET IN NORTH CREEK

Izzy's Market is getting the bulk of her loan through Glens Falls National and will be coming to us for \$50,000 to close the gap on her financing.

MEETING SCHEDULE – SECOND TUESDAY OF MONTH BEGINNING QUARTER

Next meeting is April 14, 2020 at 1:00PM in LCLGRP office.

Motion to adjourn the meeting made by Mark Monahan and seconded by Chad Richards. Motion carried.

Meeting adjourned at 10:43 A.M.