Lake Champlain - Lake George Regional Planning Board
The Counties of Clinton, Essex, Hamilton, Warren & Washington

Beth Gilles, Director
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REVOLVING LOAN FUND LOAN ADMINISTRATIVE COMMITTEE

January 8, 2021 10:00 am

Zoom (per Executive Order 202.1, extended by 202.85)

For log in information, please contact Beth Gilles at beth.gilles@lclgrpb.org

AGENDA

1. Welcome
2. Election of a Chairperson
3. Election of a Secretary
4. Approval of minutes from December 15, 2020 meeting
5. Review of By-Laws, Ethics Policy, Investment Policy, Videoconferencing Policy and Sexual Harassment Policy
6. Loan Balance Report
   - 2020 Payoffs – Star Way Services, Trinity Rock Redemption Center, Hitching Post, Iseneker Funeral Home
   - 2020 Closed Loans – Better than New, George Henry's
7. Legal Action discussion – Cooper, Ward and Finnegan
8. Commitment Extension – Slick Fin Brewing

9. Loan Application for COVID-19 Small Business Recovery Loan Program
   - Comfort Inn and Suites, Plattsburgh

10. Other
11. Next Meeting – April 9, 2021 at 10:00 am
12. Adjourn

Beth Gilles: Good morning. Welcome to the Lake Champlain Lake George Regional Planning Board Revolving Loan Fund Administrative Committee meeting. It is January 8, 2021 at 10:05am. I just want to do a quick roll call.
Chris Hay: Here

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Marc Monahan: Here. Sorry.
Carol Calabrese: Here.
Christy Wilt: Here.
Chad Richards: Here.
Harry Booth:
Patti Waldron:

And also present from the Regional Planning Board are Jamie White, Carrie Yakush, Dave O'Brien and Beth Gilles. So I'm gonna move the agenda around a little bit today. I'm going to try to get through all of our business first. We have Mr. Meron coming on at 10:30. So I want to give a little time before that to talk about, have Jamie do the loan overview with you guys before we let him in at 10:30. And then I hadn't planned on having Kris March from Slick Fin come and speak but he wants to, so I've got him coming at 11. So, we'll get through the bulk of our annual meeting business, as much as we can, before we have to shift over to the loans and then at the end, we can wrap anything up if we need to. So the first thing is the election of a chairperson. This is an annual position. Our current chairperson is Christy Wilt. Oh, Jamie, Terry's already in the waiting room. You might want to send him an email and tell him to give us a half hour. So I am asking for nominations for a chairperson for the loan committee.

Marc Monahan: Christy yet again.

Carol Calabrese: I'll second that.

Beth Gilles: Motion to appoint Christy Wilt as the chairperson made by Marc Monahan, seconded by Carol Calabrese. Any other nominations? All those in favor?

Multiple people: Aye.

Beth Gilles: Opposed? Hearing none, congratulations, Christy.

Christy Wilt: Gee thanks, guys.

Dave O'Brien: You didn't vote against yourself?

Christy Wilt: I didn't, no.

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Chad Richards: Wait, can we do that?

Beth Gilles: No. Now, moving on election of a secretary. Our current secretary is Chad Richards. So I'm going to ask for a nomination for secretary.

Carol Calabrese: Chad Richards.

Marc Monahan: I'll second that.

Beth Gilles: Motion made by Carol Calabrese to nominate Chad Richards as the secretary seconded by Marc Monahan. Is there any other nomination for secretary? All those in favor?

Multiple people: Aye.

Beth Gilles: Opposed? Hearing none, congratulations, Chad. You are once again the secretary of the loan committee.

Chad Richards: Awesome.

Beth Gilles: Well that was easy. Approval of minutes from the December 15, 2020 meeting. Were there any changes or corrections to those minutes that were sent out to the committee? Hearing none, can I have a motion to approve the December 15, 2020 meeting minutes?

Marc Monahan: Make a motion.

Beth Gilles: Motion made my Marc Monahan.

Chad Richards: I second.

Beth Gilles: Second by Chad Richards. All those in favor?

Multiple people: Aye.

Beth Gilles: Opposed? Hearing none, motion passes.

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So the next thing is the review of the By-Laws for the loan committee. Also the Regional Planning Board's Ethics Policy, Investment Policy, Video Conferencing Policy and Sexual Harassment Policy which all extend to members of the loan committee. So those were all sent to the loan committee. Did anybody have any questions or comments on any of those policies that were sent out?

Chris Hay: Nope

Beth Gilles: Can I have a motion to reaffirm the loan committee By-Laws, Ethics Policy, Investment Policy, Video Conferencing Policy and Sexual Harassment Policy.

Chris Hay: I'll make the motion.

Beth Gilles: Motion made by Chris Hay.

Marc Monahan: Second.

Beth Gilles: Second by Marc Monahan. All those in favor?

Multiple people: Aye.

Beth Gilles: Opposed? Hearing none, motion passes. Okay, so the next thing is the loan balance report. I know we haven't gone through the regular loan fund a lot lately we've been dealing so much with

Marc Monahan: Your volume just went out Beth.

Beth Gilles: Am I back. It was because I was shuffling papers. Sorry. Um we haven't talked about the regular loan fund too much. We've been really, I'm still going out?

Carrie Yakush: No.

Beth Gilles: No, I'm good?

Carrie Yakush: I can hear you.

Chris Hay: I can hear you.

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Beth Gilles: All right. So I sent you all the loan balance report for RLF1, RLF2 and RLF4. So we do have some things going on with those. First off in RLF1, 9 Mile Coffee. That was a loan that was approved at the end of 2019. If you remember Brian Hosen, and it was a coffee shop up in Schroon Lake. He was approved for $25,000, we were giving him draws based on equipment he was buying. He only took out $13,000. In early 2020, he and his business partner severed ways and so Brian paid off the loan it in its entirety so that now is no longer an open loan with us. Moving down to All About You, which is Desiree Diskin. She has a salon out of her garage in Moriah. As of the end of 2020, she was 63 days late, but I spoke to her earlier this week. She has paid that. She is having a tough time between COVID and some personal issues. I told her that the committee would entertain a loan modification, but she needed to get me some information. I was hoping she'd have it by today, so that we could talk to her about maybe, or you guys can talk about maybe giving her a six- month interest only. But she hasn't gotten me that paperwork yet. So, I'm gonna try to get her to give me everything so that, these are, this is one of those loans that you want to kind of, you want to work on the front end before things get too bad, and you have to go the harder route.
Moving down through the current, I do want to note that Joe Brand is current on his payments to us. However, I received a notice from Warren County that he is delinquent on taxes for both his house and his business. Both of which we have liens on securing his loans. The house is delinquent on 2018 and 2019 and 2020 taxes. The business is delinquent on 2019 and 2020. So Warren County is anticipating tax foreclosures once they're allowed. So we're just gonna have to send some communication to Joe to tell him that he needs to pay the taxes so that collateral on his loans remain secured and we're just gonna have to work with the county treasurer. Just keep an eye on that.

Marc Monahan: Are all his businesses in operation right now?

Beth Gilles: Yes. He actually did well this summer once he was allowed to open.

Marc Monahan: I would imagine, I mean, there's a lot of at home drinking and, ah, people up north that were camping all year, I would think that he would've done pretty well.

Beth Gilles: Yeah, he did. And he had actually indicated to us a few months ago that he wanted to prepay on some of his wintertime loan payments. That never panned out to anything, but hopefully he'll shore up on his taxes.

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Um, everyone else is current, moving down to matured. So the Hitching Post, that loan matured and was paid off entirely this year. As was Iseneker Funeral Home. They were the one loan we had in Lewis County and they matured and paid off so they do not have any outstanding with us. Then also Quicksilver Air matured, which I had really completely forgotten about, because it was February of 2020 and it felt like six years ago. But they did mature as well. Thomas Barber, you know, he's 20 days delinquent. That's actually a lot better than he was before. So he's caught up a little bit. He's one of our just constant problem children that's always behind. Washington County Agri-Park, Ted Berndt, has gotten significantly behind. If you remember, he wanted us six-month interest only, but he didn't provide us with the information that we asked him for to do that assessment. I did speak to him on the 23rd of December. He has assured me that he will get back on his regular payments and he'll also make an additional $100 payment towards the second loan, an additional $400 payment per month on the first loan to bring up his back, arrear so that any additional payment he makes is first going to pay off his fees then it'll go to pay off his late interest then it'll go to work down his late principal. RLF2, everybody's doing well. They're current except for the North Country Club Restaurant which we will talk about probably after the Slick Fin, when we talk about legal action discussion. Two loans out of RLF2, surprisingly, paid off. They didn't mature, they just came in and paid off. So that was Star Way Services, and he paid about $125,000 last month and totally paid off his loan, as did Trinity Rock earlier in the year. He paid off a significant amount of money and paid off his loan. RLF4, everybody is current except for Adirondack Meat and Cooper Logging, which we'll talk about in a legal action discussion. I also want to note on that one StoriedBoards, their loan is secured by a mortgage on the parents second home in St. Lawrence County, and they are delinquent on taxes. We got a notice from the St. Lawrence County Treasurer. The county is going to take that house April 1, I believe. So we had sent them some communication right before Thanksgiving, demanding that they pay the taxes or they're going to end up with an unsecured loan and we reserve the right to call their Note.

Marc Monahan: Is that the father's house?

Beth Gilles: Um hmm.

Marc Monahan: Okay. They, they're spread pretty thin across a bunch of different things after they bought the golf course. And then I heard they were buying something else too. So I don't know.

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Beth Gilles: Well I spent a lot of time with the golf course this summer, so I know they made some money.

Marc Monahan: They do ok. I think their issue is finance management and getting in all these things before they really have their handle on the finance end of things. StoriedBoards has been dragging for a while.

Beth Gilles: Yeah. And so Carrie called the treasurer yesterday, Carrie, or the day before, and the taxes have not been paid. The county treasurer told us to check back February 1. So we'll give him another call February 1 to see if the taxes on the house have been paid. And although we're not loaning out of the IRP, everybody is current, and we were able to make our December payment to USDA, which was a surprise to everybody. Brand does have a loan in that. So again, the taxes will affect that fund as well. But we're working on that. So, between all of the payoffs and everything, RLF1, as of yesterday, has $380,500 in the bank account, RLF2 has $293,700 in the bank account in RLF4 has $304,000 in the bank account. So we need to start lending out of those ones as well. The EDA did provide us with a new RLF allowable cash percentage for this year, which is 36.6. Meaning that we're only supposed to have 36.6% of the original granted capital sitting in our bank account for more than six months, or they reserve the right to take it back. I don't think with COVID they're going to make any moves to take back capital that's sitting there and not meant for emergencies or emergency businesses, emergency COVID relief so I'm not concerned about it. But I just wanted to let you know. Any questions on those. Oh, and I forgot to note we closed two loans in 2020. The Better Than New Painting and George Henry. Better Than New Painting is in RLF1. George Henry's is in RLF4. Okay, so I think since Terry's in the waiting room, and getting in the legal action discussion might take a little bit long, because we do have to rediscuss Finnegan with some new information. So, let's hop down in the agenda to the Christopher's Restaurant, Comfort Inn and Suites in Plattsburgh loan application for the COVID-19 Small Business Recovery Loan Program, and I'm gonna let Jamie give you guys some introductory information. We'll do some questions, if we have anything you guys want to talk about before we let Terry in and then we'll let him in to discuss.

Jamie White: Okay, good morning. It's pretty straightforward loan request from Mr. Terry Meron. He's been open since 1988. Started out with the hotel. And then in response to the market, he really developed kind of an entertainment all in one center there under the umbrella of Christopher's Restaurant. So he has, the restaurant is a Perkins franchise. They have a gym, a brew pub, and a small kind of, you

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know, entertainment center for children all under the one roof. You can see from his financials that he's done fairly well, in the last three years. He's definitely increased each year. And you can also tell, pretty significant impact in 2020, directly related to COVID restrictions. The border was closed. Very high percentage of his market comes down from Canada. A lot of his market, again, is schools and colleges, sports teams, which were not allowed to travel. And schools and colleges also do a lot of conferences, at his location, as well as government agencies do a lot of conferences, there at his location. None of which occurred in 2020. They were all canceled. So this loan will truly allow him to, you know, bridge the gap until we're all keeping our fingers crossed until spring allows him to at least approach a more normal. You know, getting underway with the restaurant, in particular, has been very restricted. The gym has been restricted. And then of course, the entertainment center has been completely closed. So that is what he's looking for this funding for 100% working capital, keeping people employed, keeping his bills paid.
And anything else I can offer?

Chad Richards: Was there a year-to-date financial statement? For 2020?

Jamie White: Yes. Yeah.

Chad Richards: I don’t know how I missed that. Was that in the attachments?

Jamie White: It's right in the middle of, so if you look at the first tab, you've got the three-year spread, and then right in the middle is the year to date, and then the three years of projections. Is that not…

Chad Richards: No, I might have missed that. No, that's my fault. Thank you.

Jamie White: No problem.

Beth Gilles: Chris, are you familiar with this business at all?

Chris Hay: Yeah, I've known Terry for years. Real good operator. Has done a great job, as Jamie talked about, trying to bring in different facets of the business over the years. To say that he's got a gym, it's not your typical hotel gym. It's a one that you know, competes with Planet Fitness and etc. He's always got the high-end equipment, has trainers in there offering classes. So he's done, they've done, a really good

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job. Keeps the property up and in decent shape. It's not kind of the high-end property but it's not a low-end property either by any means. It's one of the few properties in town that actually has food on site between the Perkins restaurant and the brew pub. So, solid business, has overcome lots of challenges over the years. Way back when, probably 15-20 years ago, the good portion of the hotel burned down. And I know he worked through all those issues at that point in time, working with NBT.

Marc Monahan: Yeah, my knowledge and experience with Terry is, is you know, same, an echo what Chris said, you know, very solid operator. You know, if anybody's going to get through a challenging time like this, it'd be somebody like him. He's very well diversified, and, you know, when the border opens up, and hockey tournaments begin again and the schools back to, you know, having, you know, visits and all those types of things, parents' weekends, that's a destination when you're going to Plattsburgh, it's because there's a lot of activities for kids, like Chris said, everything's right on site there. And it's a pretty well-known place right on Route 3.

Beth Gilles: He's also a significant employer in the area and a significant employer for some of the people that are at a lower-level positions, not professional positions. So, I think that's really important to note, as well.

Chris Hay: Yeah. Also very active in the community. You know, it's a strong supporter of local charities and other businesses, involved with the chamber. So he's well respected across the area.

Beth Gilles: I think that was the point Jamie brought up in a discussion she and I had was the other businesses that are positively affected by, you know, the people that he brings into his, into his restaurants in his hotel, and things like that. So, there's definitely a positive spread across all businesses.

Jamie White: There's a lot of very close, it sounds like, a lot of retail that's very close to his site to that, you know, people stay at the hotel and do a little shopping and eat at other restaurants in the area. So, so it's definitely affected other businesses besides him, so.

Beth Gilles: So does anybody have anything else that they want to discuss before we let Terry into the meeting?

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Chad Richards: No, not really. I mean, for what it's worth, I don't know this bar. But we do have a few hotel properties in Plattsburgh. And it's the same, same scenario. Excellent operator. But unfortunately, they're just, you know, they're highly reliant Canadian travelers, they rely on travelers coming to SUNY Plattsburgh. And it's just not happening right now. And until the border opens, all those hotels are just going to struggle. So the story is the same. You know, looking at the historic tax returns, you know, I think he'll return to normal, someday. But that's obvious out of his control at this point.

Beth Gilles: Okay. I'm gonna let him in. Hi, Terry.

Terry Meron: Hello, how are you guys?

Beth Gilles: Good. Well, welcome to the loan committee. So we're just gonna give you about five, seven minutes to tell us about your business and the affect that COVID has had on it. And then afterwards, the committee members will ask any questions, and then we'll just take it from there.

Terry Meron: All right. Well, we are five businesses here. The original concept was to put compatible signature uses under one use. So we have the Comfort Inn and Suites. We have Perkins restaurant and bakery, we have Plattsburgh Brewing Company, we have Champies Fun City, which is a family entertainment center, and we have the health club called Eclipse. If you take a look at all those businesses, they're all pretty much hospitality, except for maybe the family entertainment center is pretty community oriented and so is a health club. So, all of the businesses have been deeply impacted by the Coronavirus, by the pandemic. When you go down through the, for example, starting with the hotel, the border's closed. The state-to-state restrictions are significantly reducing traffic from Vermont and some of the other locales that we draw our market from. Also big time, Montreal, a major, major market, and even Ontario. So there's the those travel restrictions are hurting us badly. If you take a look at our concept, we are a higher performing property than the average property in the community because of our attractions here. And so leisure traffic is a bigger deal to us, a larger portion of the market than some of most other hotels. And that is a market that's just been devastated the most. I mean, that's the percentage down on leisure travel is just so much bigger than corporate. Even corporate travel, a lot of people are doing zoom meetings like we're doing right now. And that travel is down and restricted. The state government traffic is down because of financial budgetary

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restrictions. Take a look at the restaurants. They've been hit hard. Although I'll tell you Perkins is the only business here that is close to year over year sales. We probably are at about 93% currently, not going, obviously the shutdown with delivery only and everything. But currently running, maybe, it's been dropping a little bit lately or quite a bit lately but that's what we're running once we were able to open our dining room. Plattsburgh Brewing Company, primarily a lot of our business is out of the bar. And through alcohol sales, so that business has been hurt real badly. I made the judgment call, as you know, the State Liquor Authority doesn't allow you to stand anymore, you have to go in there and sit like you're in a restaurant. And with the distance requirements and everything, you can't operate a bar in a bar environment like it used to. That business was projected to take a bigger hit than restaurants and it has. So we're down just terribly on that. I mean, it's maybe doing 20% or less than what it was. Take a look at the health club, 33% restriction on occupancy. So our group fitness is, you know, is primarily a female market. And where we had a room for 39 people, we've now can only put 13 in. Nobody's going to be a member if they can't get in and use the service for which they wanted to join. So we're running about half the members we did before. And with the increased labor that we've had to do to police the mask issue, and distancing, we barely cover, our revenue barely covers our labor. So that business is only operating slightly above, a slightly better financially than when it was close. And then Champies, one of our more profitable businesses. You know, I'm a, I'm a, I coach baseball for over 25 years, and I probably had that in my resume. I term things, a little bit and it was the best part of, one of the best parts of my life. Honestly, I love working with kids. You can teach them a lot of really valuable lessons about life and that and I'm there. But I hit a home run with Champies. You know, maybe some of the other businesses single, double or triple, but with Champies, it was a homerun. And I'm part of a loose organization of family entertainment centers that I'm certainly far from the lead, I just, they contacted me and included me in their loop. They've been negotiating with governor's office, and the negotiations ended maybe a month or so ago with the governor's office contacting the lead person and told them that they heard they were thinking of commencing a lawsuit, and that the state would vigorously defend it. And that they had no intention of opening the family entertainment center business until a positivity rate was 1% or less across the entire state of New York. Which means we're going to have to be totally vaccinated unless he changed his opinion on that. So, you know, when you take a look back at our property when it can perform its best, it performs best for the leisure market. And without the family entertainment center, we don't have our biggest attraction. We have an indoor pool with a waterslide, two waterslides and a spray park. But that's under severe occupancy

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restrictions. So, you take away all of our strength, is really, is really gone. You know, we were down, even just with a half month we're down 22% year over year revenue across the whole property in the first quarter, down 78% in the second quarter. And I think it was down like 50 some odd percent, 53% in the third quarter. When you take a look at revenues. Our difference in the first quarter was 300, ah, just for the, was $377,000. For the second quarter was $1.289 million and the third $990,909. With our occupancy, the hotel's the biggest business here. We were, in April, we were 22.6% of where we were year over year and 29.8 then 37.5 and 42.2 and 45.5. September was our best year over a year of 63.5. And then October, 51.7 November, 47 and a half in December 52.7. So, I think, I don't know how much time I took, but I think I'm probably pretty close. I'll stop there and any questions you have, I'll be happy to answer. Or try to.

Marc Monahan: Hey Terry, Marc Monahan from NBT bank. Nice to see you. When all gets back to normal, do you anticipate picking up kind of where you left off? Is that kind of the assumption? If in a perfect world, obviously, if, you know that positivity rate is where we needed to be?

Terry Meron: No, Marc, that's a great question. And I, from every, and, you know, I, I love to learn. I read all the time. I tell my wife, I can read about the business related and health and nutrition things, the same way that she enjoys reading romance novels. So I've always had that strong desire to learn. So I would tell you that the experts are saying that we're not going to, in the hotel business, we're not going to return to 2019 figures for two to three years. Doesn't mean we won't cross a line for profitability way before that. But the restaurant business and the entertainment type businesses, I think, like our restaurants, right now, that's people's main source of being, that's why Perkins, I think, returned closest to normal. I think the family entertainment center would have, would have approached closer to normal than some of the others. But I think it's gonna be, there's gonna, for each one of our businesses, there's going to be a different effect. For the hotel, I think, you know, possibly some people have learned that they can do their meetings via zoom and other means, like we're doing right now. And maybe they don't have to travel as much, I think it'll be, they're projecting kind of a slower climb back. But the hotels are getting smarter, too. I don't think you'll see, for example, your rooms cleaned every single night anymore. They learned that the hotel guests don't really, that's not a big deal to most of them. We don't clean our sheets or our towels every day in our homes. And I don't think that's an expectation. I think you're gonna see something like an elective thing that's going on right now continue. And I'm not sure exactly what shape it is. So I think you'll see a better expense control after

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this. I know we're like bad on productivity, right now of labor. And I, you know, this, when bad things happen, a lot of times, good things can come out of it. And I think people can intensify their number crunching, and I know we're doing that. So, on the family entertainment center, I think we'll get a pretty quick return on that. Because people are really, I mean, this is, this isolation that we're all experiencing, is giving all of us a desire to return to normalcy. So I think we'll see, we'll see that comeback, like I said, I think the hotel have a little slower. And I think the restaurants are just the number one form of entertainment in the country. So I think they'll come back a lot quicker.

Marc Monahan: Thanks Terry. You answered my follow up question, which was just what kind of efficiencies you kind of uncover as you went through this. So thank you.

Terry Meron: I'll tell you, Marc, we are timing everything. We're timing everything that housekeepers do. And we're timing the, even the hotel managers functions and crossing over having them do other functions like the hotel managers operating as a housekeeping inspector. And I don't anticipate that going away entirely. A lot of hotel managers, frankly, have a lot of flex time. And we for one are not going to return to that model. So we time the public area cleaners. We have somebody that has gone out, multiple people, that have gone out and done those functions and created times for them. And it's just going to be a tighter control over every expense. And like I said, the industry, I think, is going to cooperate in and finding out that they don't need to have all the services at the level they didn't before.

Chris Hay: Hi Terry, this is Chris Hay from Dannemora Federal. Good to see you.

Terry Meron: Hi, Chris, how are you?

Chris Hay: I'm doing well. Thank you. Um, obviously, with the diversification of the businesses that you've talked about, you're pretty well situated to have different lines of revenue coming in. And knowing that it's going to be 6 months, 12 months, 18 months, depending on your business segments to get back to normal, how well positioned do you feel that you guys are, you know, to make it through this next 12-to-18-month window?

Terry Meron: Chris, it's going to be a little bit surprising to you, I think. But there were many months when the family entertainment center made more net

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revenue than the hotel. We did a good job on that, again, you know, I'm a planner at heart and a researcher, I love to learn. Our family entertainment center is themed. We packed a lot in there. And if you go in, you can go to Saratoga, you can go to Albany, you can go down to Lake George. And I think very, arguably, were the nicest looking, best amenity, a family entertainment center in the region, even over in Burlington. So we did a good job there. And, you know, one of the things that I will do in the future is, our miniature golf course occupies about 22% of our total space. And it does a decent job in revenue, but we'll probably change that to a small Children's Museum. And in row, our demographics that use the facility, because we're probably in the primary age market, it's probably 5 to 12-ish, and, you know, you can go up because of laser tag. But when you talk about the primary, the bulk of it, and we can go down a little bit on that. But then we open it up to even a younger age group than that. And provide really a cool, I've already got a design in my head, you walk through the center of the, of the opening and for the miniature golf course in the center and you'll see these facades of a police depart… of a fire department, maybe a police department or different type water entertainment type things. I've been to quite a few family facilities already. But anyway. You know, I think that'll come back quicker. And help us get across that breakeven line on a fairly quick basis. Once is COVID, once the vaccines, and I think the good news about the vaccines is that the people willing, the latest surveys that I've seen people willing to take the vaccine has been growing quite substantially. The last one I saw was about 63%. Kind of the vaccination required for herd immunity, I guess they're not really, why no, they're not really sure. But a number kind of thrown around is that 70 to 75% range. So the population is getting closer to the acceptance to, I think, have the vaccine hopefully halt this. One that the rollout has been slower. So I think we're talking about maybe during the summer, hopefully, sometime during the summer reaching herd immunity. As all of you probably know, the summer is our busiest time period. I've heard some experts say that you'll see a substantial drop, even before that in the COVID transmission in April, May. And as more and more people get vaccinated, I think they're going to start wanting to experience life again. So, honestly, I think we'll end up with getting in the black before they end up 2021. And that's just, you know, I just think a number of our businesses, even the family entertainment center alone, can really help us get there. That's a fixed expense business. So when we cross that breakeven point, we get like 90% of the money is profit. It's a facility-based thing without a lot of labor. Like, you know, the restaurant business where there's high fixed expenses of labor and cost of food. That business, when you cross that line is not a big line for us. Because when at that time, I didn't borrow any money on that. We spent about $1.2 million in

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there. And so there's you know, there's no debt that that business has pay out of its revenue.

Chris Hay: Thanks, Terry.

Beth Gilles: Terry, can you tell us about your staff and your staffing and how you held on to people or let people go and you know, what's going on with your staffing patterns?

Terry Meron: Well, a lot of our staff is long term. Obviously, we, we held on to all the managers except, well, held on to our accounting manager, hotel, Perkins, Eclipse fitness. With Champies closed, we couldn't hold on to her. And she has found another job elsewhere. And with Plattsburgh Brewing Company, honestly, it wasn't desirable to hold on to our manager there, we have somebody else within house that we have, kind of just managing the bar portion of that, because I think I mentioned we're cooking the food for Plattsburgh Brewing Company out of Perkins, rather than opening that kitchen. It would have just deepened our losses significantly if I hadn't tried to open that back up the way that it was. So, we, the number of employees in the health club actually is probably pretty stable, because we had to add that rolling person. And we're down a few classes, group exercise classes, which were part time people, but the full-time people were all back there. Perkins staff is pretty normalize. The hotel housekeeping staff has taken a pretty big hit. The front desk a little bit, but so we are down to a substantial number of employees, we wouldn't have been able to make it without doing that.

Beth Gilles: Okay, does anybody have any other questions for Terry before we let him go? Okay, so we're gonna let you go from the meeting Terry, and the committee is going to discuss and then we'll be in contact later today, this afternoon to let you know what this decision is.

Terry Meron: Thank you very much. I appreciate your time, everybody, stay safe.

Marc Monahan: Good luck with everything, Terry.

Terry Meron: Thanks.

Beth Gilles: Okay. Anybody want to kick off the discussion? Anyone have any concerns with this loan at all? So he is asking for $150,000 for working capital.

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Chad Richards: Yeah, I don't have an issue with it. I think that's what this loan fund is for. You know, we are putting a second on the real estate, right?

Beth Gilles: We're gonna discuss collateral. Yeah. But I do think that that's the best idea just because if you saw there's an SBA lien from the PPP and EIDL and they just kind of did the blanket lien across everything. So if you guys are comfortable with a second on the real estate as the collateral, we'll go with that.

Chris Hay: Yeah, I think there's plenty of equity there, Beth. Um, refresh my memory, with this program, do we cover the closing cost? Or does the borrower?

Beth Gilles: We do. It comes out of the loan proceeds so that, you know it's adjusted at the end. Yes, we would pay for the real estate and all the other fees.

Chad Richards: If memory serves, I think, I think he says the property is valued at over $5 million, and there's a little over a million outstanding. I don't know from a regulatory perspective, if we can not do an appraisal, but is there a way to save on that cost? Because that's going to be an expensive appraisal.

Beth Gilles: We have an appraisal report. It’s 2018. Yeah. It’s December 19th, 2018. Yeah. I think that's appropriate for us. I don't think that we should go through an expensive another appraisal?

Chris Hay: I think it'd be a waste of the money based upon the, the equity as in the property.

Beth Gilles: Um, terms, so we can do up to seven years. There's automatically 12 interest only. So what are your thoughts on terms?

Marc Monahan: In my recommendation, we just giving them the most flexibility. So the longest term and we are taking real estate, so, no need to go shorter.

Chad Richards: I agree with Marc.

Chris Hay: Me as well.

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Beth Gilles: Yeah. So everybody agrees on the seven years?

Chad Richards: Absolutely.

Beth Gilles: Ok. With collateral as a second mortgage on the property. Is there anything else anybody wants to discuss before I call out a formal motion?

Chad Richards: Do we talk about, we don't talk about rate?

Beth Gilles: It's set at 1.9.

Chad Richards: It is, okay.

Beth Gilles: Yep. Okay, so can I have a motion to approve $150,000 working capital loan to Christopher's Restaurant Inc., under the COVID-19 Small Business Recovery RLF at 1.9% for seven years, interest only payments for the first 12 months. Collateral is second mortgage on the business property. Corporate guarantee from Christopher's Restaurant, Inc. personal guarantee from Terry Meron.

Chris Hay: I'll make the motion.

Beth Gilles: Motion made by Chris Hay.

Marc Monahan: Second.

Beth Gilles: Seconded by Marc Monahan. And I'm going to do a roll call vote.
Chris Hay: I vote yes.
Marc Monahan: Yes.
Chad Richards: Yes.
Carol Calabrese: Yes.
Christy Wilt: Yes.
Patty Waldron: (not present)
Harry Booth: (not present)
Motion passes. So, because this loan is over $100,000 it has to go to the Executive Committee. So we actually have an Executive Committee meeting at noon today to discuss this. Um, Christy made a face. I sent a reminder.

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Christy Wilt: Noon or one? Noon? It's noon. We're good.

Beth Gilles: I've scheduled so many meetings lately. Okay. Great. So thank you. All right, moving on. Kris March is in…

Marc Monahan: Hey Beth, I'm sorry, I gotta jump off at 11. Is there anything you need me to vote on before? Do you have a quorum?

Beth Gilles: 1,2,3, I will have a quorum if you leave. And so Kris March, as you will remember, the loan committee approved $103,500 for a real estate purchase in Fort Edward for a brewery. And the loan committee approved up to $50,000 or 90% for an equipment purchase. When that loan was brought to the Executive Committee for their approval, they actually reduced that amount to be $46,500 or 90%. So that the total package being provided for the loan wasn't over $150,000. With that being said, we gave him commitment letters. There was a lot of back and forth between his legal team and our legal team. That created a lot of confusion. And there were some indications that he was not going to make the equipment purchase that he has said he was going to and that he was only going to buy the building. But making the equipment purchase is how he was basically qualifying for our loan program. He was going to increase his capacity and in doing that hire a couple of new jobs. And, you know, that provided the economic development job creation basis for the loan. In all of trying to work out the conversation with that, his commitment letters expired. They're only good for 60 days, and we can't close on expired commitment letters. So in going back and forth, with Mr. March, he has confirmed that nothing has changed from the original loan. And it was a miscommunication between him and his lawyer and his lawyer to us. So I asked him to answer a couple of questions and just clarify some things. So I'd sent you guys the answers to those. I also asked him to redo his projections because his original projections had him up and running and producing more in January and now he's not going to be installing new equipment until April or May. So to just adjust his projections and answer some questions as to why he needs to purchase the building, which he does to be able to expand to the brewing equipment and capacity. He's going to purchase the equipment in April. I think that if we end up extending his commitment letters, we should add in a clause that, you know, gives a date to when that equipment needs to be purchased and installed, or, you know, the project is moot at that point. He said, you know, they'll most likely be up and running in May. There was some confusion as to what equipment he was going to purchase. So I asked him to provide us with a quote for the equipment that he plans on purchasing, which he did. And I sent that

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to you guys. I asked him when he was going to hire on the second brewer, and the brewery cleaner which of the two jobs. He stated that he would in May, when everything's up and running, once he's got the equipment and got it installed, they can start producing more right away. I asked him to include a narrative on any other projects they have going on that might affect his financials. He says he doesn't have any. That, he's not accumulated any debt, since we approved the loan back in October. So, he is in the waiting room, I was gonna let him in for you know, 5-10 minutes, so he can kind of just talk. I think he wants to explain to the committee, what happened. And then we'll let him go and discuss whether we want to extend the original commitments. So does anybody have anything they want to say before I let him in the meeting? No? Okay.
Hi Kris. Can you hear us? Is your audio up?

Kris March: There we go. Morning. Hey Beth.

Beth Gilles: Okay, so I just gave the committee a brief background. I supplied them with the information that you have given us with the questions that I had asked. I just thought you could maybe take five minutes, just to let everybody know where you're at with what you've got going on. And then we'll do any questions.

Kris March: So really, nothing's changed. I think some things got a little misconstrued, I think, just between emails and whatnot, the plan was still to get equipment. But through those email exchanges, I think just, you know, some things got, I guess, worded wrongly, so I apologize for that. So, we still want the equipment, because we're still going to grow. We need the building in order to grow. We need the building first, not to say that, you know, we can't get the equipment right away, but I figure it's gonna take me a few months, to get everything in place in order to accept that equipment, you know, including like utilities, and anything that would have to get shifted around in order to create space, which we've already kind of accounted for. Then that's why I wanted the equipment and like, say, April, latest May. And then we can get rolling right away on making triple the amount that we're making right now. And in regards to hiring, I already have one coming on full time as my assistant brewer in June. So that's set and my cellar man, I think I found a cellar man. I've been screening applications and just kind of networking a bit. So I think that's also set in that regard. And then when we have that whole massive backspace open and ready to go, we're gonna obviously need more employees to cater to that space. So that's something that myself and Heather will work on once we get that space opened up.

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Beth Gilles: Okay. Does anybody have any questions they want to ask? So I think at this point, Kris, we're just going to look to extend the original commitment letters. And so that's what the committee will vote on. And then if it's approved, we'll probably put some additional language in there. Because we'll discuss kind of staggering the purchase of the building first, and then in a few months, the purchase of equipment so just make sure that that's all kind of spelled out more clearly for you and for us. And going forward with that. So if nobody has anything for Kris, I mean, I know that was very short. But we appreciate you hopping on and just kind of talking to us about what's going on with you. So is everybody good, with the committee? Okay, that's it. And I'll let you know later this afternoon.

(Marc Monahan left the meeting)

Kris March: Thanks, guys. Thank you.

Beth Gilles: Thanks, Kris.
Okay, so does anybody have any questions, concerns?

Chris Hay: Hey Beth, it's Chris. I just think, have the attorney to make sure to put some language in the commitment letter. That will put him in default, if he doesn't acquire the equipment and staffing. Hopefully, it was just a simple confusion. And he wasn't trying to change plans. But you're spot on. And I love the fact you held back on funding the building, until we have a better sense of the whole project because he can't afford the building without the brewing revenue. So just something, I think it makes sense to buy the building first, why make him accrue interest on equipment you can't install until April or May. But have some language in there that puts it in default if he doesn't follow through. It doesn't give us much leverage, but..

Dave O'Brien: Beth?

Beth Gilles: Yes, Dave.

Dave O'Brien: Now, this is, Chris, we got a surprise on this one. And that was when I opened up the paper and found out he was buying a building and doing another building and knocking it down and putting an outdoor beer garden in. And when I saw the plans for the outdoor beer garden, it was more than just what I consider beer

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garden. He’s gonna have TVs and display things there. So my curiosity is, number one, what's that going to do to his cash flow? Because if he's paying for this out of his own pocket, where's the money coming from? And should we go back and factor this in to see where that cost does? I mean, I'm concerned that he just never told us about this. And all of a sudden we find out the papers he’s been working on this for months. Tearing a building down must be $50, $60, $70,000. Because I'll bet that it's an aged building. I would bet there's good likelihood that there's some sort of asbestos in there's going to be more to take that out. I'm not sure that was factored in.

Beth Gilles: So he's going to purchase the building. My understanding, between conversations with his attorneys and ours and us, he's going to purchase the building next door for $40,000. Because he is using money that he has, he's not accruing additional debt. My, what I'm assuming, because I haven't talked to him about that, is that he thinks he's going to make so much money with tripling his production that is then going to pay for the demolition and the creation of the beer garden. But that is not necessarily part of our project. Our project is purchasing the building and purchasing the equipment. And as Chris said, he needs to purchase the equipment and increase his productivity to be able to pay back the loans that he's getting from us. And I think that, you know, he's a big vision kind of guy. He's, you know, he wants to take over that whole block and just make it as amazing as possible. I understand the concern with him being able to pay the loans back, but he did show in his projections that if he triples his capacity, that he will be able to take on his debt service with us. What he does after that is not necessarily under our control.

Dave O’Brien: How would a banker look at this? Because I don't look at this very favorably. When he's negotiating with us for loan and loan for new equipment, and all of a sudden, he's behind our backs, negotiating the purchase of building and planning and getting the planning board approvals and all that, we should have known about this. That's a big concern to me. He seems to be growing and doing a good job. He's also acquiring debt that we don't know about, and other carrying costs to the property that we don't know about and I’m just concerned if we're not backing those, that those in there, that we're going to run into trouble of this guy. And I hate to be so vocal about this, but I've had experience with him. He camouflaged his, in our loan process. He sort of camouflaged the money owed to the LDC for the first brewing system and what that did to is, and I'm really concerned about this. I mean, he sneaks things in and he's just not up front, in my opinion.

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Beth Gilles: I'm not a banker. Would any of the bankers like to answer that?

Dave O'Brien: I'm not either. I'm (inaudible) keep on stacking debt on top of debt, we can't project with this capability to payback is, that's a problem to me.

Chris Hay: As one of the remaining bankers on the phone, I think the biggest thing, and I'm sure Chad would agree and Marc would as well, is character. It's kind of impossible for us at this distance or for me to get comfortable with character. Obviously, there's some concern about, is he buying the equipment or not? Which is why I was suggesting that we make sure we've got language in our documentation where we can call him in default. It sounds like he's telling Beth, that he can acquire the property with current funds. And he'll use business proceeds to do the demolition and put the garden up. Is that how he's articulated it, Beth?

Beth Gilles: So the first part, yes, it was articulated that he is going to purchase the building with funds he already has. Um, he and I have not talked about demolition or the beer garden or anything, I'm just assuming that that's how he thinks he might end up paying for it.

Chris Hay: Yeah, well, I think to Dave's point, I think we need that clarified a little bit. Because any of us bankers are going to look at the cost of the entire project. And his projection show he can cover the debt service related to our loans. But if he is not disclosing and he is going to go out and get a loan from, you know, a private investor or someone else to do the demolition and the build backup of that next door property. What does that do to the business? So I don't think it's unrealistic for us to have clarification from him as to what that future state looks like.

Beth Gilles: So if we were to approve extending the commitment letter, would you guys be comfortable putting a condition on it? A condition of that he clarifies how he's going to pay for it? I mean, I'm trying to avoid having to bring this back to another committee meeting.

Dave O'Brien: Can we put something in there before he commits himself to more loan, more loans, more debt or expenditure, what we're looking for, he come back and notify or advise us what we're doing? I mean…

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Chad Richards: Dave, so on the bank said, we do that all the time. No, we place a loan on default, technically, if we wanted to. If he takes out more debt, I'm sure our attorney can work language into that, language like that into our loan documents. I don't know if we have in the past. But I mean, kind of what you know, you're talking about what Chris was speaking about. We have financials that support the loan now. Now I understand that, you know, he could get into additional debt with his grand vision to expand and have this large beer garden. Now, to your point, those buildings are very old, you don't know where you're gonna find when you started tearing the walls down. My hope would be that he doesn't do that part of the projects, you know, unless he's generating sufficient income from the brewing side to move forward. But I would support learning more a little more about the projects. And I don't know if he has a timeline of events, or total cost to the project, but, you know, I'd be, I support putting something in there. You know, if we issue a commitment letter, I think we issue a commitment letter, and it's saying that we're comfortable to move forward. So I don't know if there's a way to issue a commitment letter and then receive information, not be satisfied with it. If we can not close on the deal. I'm not sure how that process would work. But I think to understand the whole project is probably wise to do.

Beth Gilles: Carol, I don't mean to put you on the spot, but what are your thoughts on this?

Carol Calabrese: I’m listening very avidly to everybody (inaudible) definitely not as straightforward as usual with economic development projects. I am, I did pull up the questionnaire that you sent him that you emailed us yesterday. And you have a question in there, and I guess it's subject to interpretation, but the question is, include a narrative on any other project that you have going that would affect this project. And his reply was, we don't have any other project going on that affects this project. This is an expansion is our only concern. We want to grow create jobs and stay in Fort Edward. Yet it seems like that the purchase of this new property will be a part of that expansion?

Beth Gilles: It could be. Yeah.

Carol Calabrese: I don't know if they're two separate projects. You know, it, obviously, it sounds as though Dave and you found out about this because you happen to see it in the newspaper. Which I don't, again, because of the way we have to meet, and not being able to go to site visits and stuff, it's I don't know, anything about his character whatsoever. I'm a little concerned about his reply, though to, I think it's

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fair, I think to ask him for information for clarification on that as to timeline for that project, his source of funds, proof of source of funds to purchase it. And in that timeline, what his projected source and use of funds are for that project. I think, you know, and then listening to the two bankers that are still on the line, I know, we've put, we've put conditions in our commitment letter that say, on, you know, that, you know, many different things, but like, because of concerns, you know, you can ask for quarterly interims, or, you know, in this case, you can also put, you know, some kind of language in there, that would say, if you, you know, this debt would come in front, I mean, the payment part of this debt, I'm not saying it right, but the payment of this debt in the event, they fall into some kind of ratio, where sales, the revenue is generating isn't enough to pay the debts, that we can put provision in the loan agreements, that this would be, you know, this loan debt payoff would be prioritized over others, so that, you know, if he falls into some kind of delinquency, and then we see that he's paying other debt, you know, that could be a way to try to make him become conscientious of that. Speak up bankers.

Chris Hay: You're doing wonderfully. You know, it's hard. I think, we initially either put a condition in the commitment letter that says, satisfactory receipt and review of business plan detailing acquisition of property x, with the sources and uses of funding and understanding the whole project. The more prudent action may be to say we're tabling this until you provide that to us, and we have an opportunity to review it. You know, if he takes on another $100,000 worth of debt, which isn't inconceivable, to tear down a building and build a garden, a beer garden, what does that do to the projects? And we don't know that because we don't know what that debt would look like.

Chad Richards: I like what Chris said, tabling it. If we can table it, not have to go back to a committee if that's something we're trying to avoid. I don't know how the whole process works.

Beth Gilles: So I guess you guys could just decide whether you wanted to deny, approve, or approve with conditions, or we can table it. I can go back and get more information from him on that. And then we can just reconvene another meeting. And I know, you know, it's 10 days notice, Zoom isn't terrible. And it would probably end up being a 20 minute, you know, loan committee meeting. To talk about it again, I wouldn't want to wait another three months until our scheduled April meeting. But we can always do that.

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Dave O'Brien: So, Beth, you could recess this meeting also. To a certain date. Then you wouldn't have the 10 days and I'm sure you get the turn on it. I would hope you get the turnaround information from him quickly.

Beth Gilles: Yeah, I think so.

Dave O'Brien: So just recess it till…

Beth Gilles: Let me just tell you, I'm at least 10 days out right now anyway, so it doesn't really matter. I'm booked.

Dave O'Brien: I just hate, I just hate to, ah, I think he brought this on himself. But on the other hand I hate to string him along too much. If we get the information next Friday, and we put another 10 day notice on top of that, I mean, that's gonna put some twists in his ability to move forward.

Beth Gilles: Do you want me to send him an email and see if he can get back on the call?

Carol Calabrese: Do you have the ability to call an emergency meeting? Because I know we do.

Beth Gilles: You know, I was thinking that.

Carol Calabrese: It doesn't require a 10-day notice. You know, we can recall it for a specific topic. That doesn't require that 10-day notification. I don't know if you fall into the same regulations as IDA's but just the thought.

Beth Gilles: Yeah, that thought just popped into my head too. Because I think, I'm looking at the bylaws right now, I might be able to call a special meeting with three days' notice, but I just want to make sure that that's written in the bylaws that we all just re-approved. And I now have to dig into the depths of my files to find.

Carol Calabrese: I don't see anything. You just have the 10 day on the…

Beth Gilles: Just the 10 day, yeah, I'm looking at them right now too.

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Carol Calabrese: Six on section number 2. You could amend that right now though.

Beth Gilles: Yeah, we could. Although, wait, Dave, does the board of directors would have to, they're the ones that can amend the bylaws right? Would it have to be the board?

Dave O'Brien: I think it's the board.

Beth Gilles: Honestly, I don't think you know, if he even gets the stuff by this afternoon, I don't think another, you know, 10 days, and it's not even 10 business days, it's just 10 days, is going to hurt as long as you guys are all okay with that. It's getting all you together for a half hour at some point. It sounds like that's the way you guys want to go, is just a little bit more clarification before you move forward with any kind of approval.

Dave O'Brien: If this is the only thing, I wouldn't be so concerned about it. But him hiding the leads on some of the property and stuff and what he had with the Washington County LDC makes me a little concerned. Even more so than this, but that's okay. I'm not on the loan committee, so you guys can figure out what you want to do.

Beth Gilles: The 10 days brings us to Martin Luther King Jr. Day, which is basically next week, and then the holiday. So even if we pushed it out to like the morning of the 20th, then that gives him a couple extra days to get us the information that we want. Are you guys available on the 20th if I were to set up a Zoom meeting?

Chris Hay: I could do nine o'clock.

Beth Gilles: Yeah, Christy?

Chad Richards: I can do whatever.

Beth Gilles: Carol?

Carol Calabrese: I have a noon meeting so anything before or after that.

Beth Gilles: Okay, so why don't we pencil in nine o'clock on the 20th. So just so I make sure that we get everything that we need from him. And this is kind of the

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last time that we go back and forth on this with him. So you want a timeline for a demo of the building next door. You want confirmation on how he's going to purchase the building next door. So we did get that through his lawyer, so to get it straight from him I think is good. The proof of source of funds to purchase the building. How much you think it's going to cost for the beer garden? And how he plans on paying for that.

Carol Calabrese: Source and use, I think. Yup.

Beth Gilles: Did I miss anything?

Carol Calabrese: Yeah, I would say, I'm just gonna, I hate to make this more complicated, but I think we want to make sure he's compliant with all regulatory laws on, you know, old buildings, asbestos, zoning, all that kind of stuff, the unforeseen things, best intentions and all that.

Dave O'Brien: He's already got the zoning and planning board approvals, so. My concern is he understands demolition costs because that could, everyone, anyone who's done any sort of relationship with construction, or demolition, knows that if you get into asbestos or anything else, it gets 10 times more expensive to dispose of the goods.

Beth Gilles: Okay. So we're going to table this. Dave, do I need to do a motion to table it or can we just table?

Dave O'Brien: You have to have a motion to table.

Beth Gilles: Okay, so can I have a motion to table the discussion on extending the commitment letters for the Slick Fin Brewing and Phaseline property loans until the 20th at nine o'clock so that we can get some additional information on project costs.

Chad Richards: I'll motion to table.

Beth Gilles: A motion by Chad.

Carol Calabrese: Second.

Beth Gilles: A second by Carol. All those in favor?

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Multiple people: Aye. Aye.

Beth Giles: Opposed? Hearing none, motion passes.
Okay. Last. I just wanted to give you guys an update on our current legal actions. So we currently have three legal actions going. Cooper Logging, Anton Cooper. This is out of RLF4. If you remember, Cooper filed for bankruptcy. We hired a bankruptcy lawyer in Albany to work through a bankruptcy plan. Finch Paper had been logging Cooper's property. We did receive payment back for the taxes. We paid the taxes back in 2019, I believe it was. To keep the property from going into tax foreclosure. We were paid back on those taxes. And we did receive four or five loan payments. We found out in September; our attorney was informed that Finch Paper had walked off the property. They had already logged all of the easily log-able timber and that any of the remaining timber was too hard to get to and it wasn't worth logging so that they were done, and no more payments will be coming in, because that's how we were getting paid was through that logging contract with Finch Paper. So we asked for a dismissal of the bankruptcy case because he missed a payment. Meaning he didn't keep up on his plan. That dismissal was granted in October. We resumed foreclosure actions. But New York State wasn't allowing foreclosures in November. We were informed that we could move forward with the foreclosure because it's vacant property. And the state won't stop you from foreclosing on vacant property. So we filed an affidavit to resume the foreclosure actions in December and our attorney is commencing with that. So he's in the throes of that one right now. So we are finally now moving forward with that foreclosure.
Adirondack Meat Company, Peter and Denise Ward. They file bankruptcy, which kind of stopped us from doing anything. Discharge of bankruptcy was complete in July of 2020. Then Peter called. If you remember, he had a buyer for his property. And that buyer ended up falling through. The buyer was interested in the property because he had an interest in the mortgage in the campground next door. And he was having issues with those people. And he was going to take over that mortgage and he wanted the property next door. But I guess he ended up working out his issues with those folks. So he was no longer interested in buying the Ward property. So in August, we received the notice of intended abandonment for the property from the bankruptcy trustee in Florida. We sent out, or we served all the creditors with our intent to foreclose. Nobody objected to that, and all the creditors sent back everything, the admissions of services that we needed. We did in November, finally get the admission of services from Peter and Denise sent back on that. This is also vacant property. So, we are now continuing on to the next steps of foreclosure on that piece of property.

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North Country Club restaurant, Michael Finnegan. So we talked about this at the last meeting, the way we left it is you wanted me to double check with our attorney to make sure that if we allow the county to take the restaurant and tax foreclosure in April, that it wouldn't have a negative effect on our mortgage on the house. And his opinion is that it will not. So if we allow the restaurant to go, we will still maintain the mortgage on the house. Right now, you can't foreclose on houses. And the governor extended that. There is a clause, though, in that law that says unless the lien is with a public benefit corporation. So that would be like an IDA or an LDC. It's very sticky as to whether the Regional Planning Board falls within that grouping. And I say that because the Regional Planning Board is not required to, we don't fall under PAAA, and we don't have to report to the ABO or anything like that. So, then I don't know if the state's going to consider us a part of that, where we could move forward with the house foreclosure. And so our attorney is trying to figure that out, right now. But I guess what I'm asking from you guys is if you are comfortable moving forward with the, letting the restaurant go and go into tax foreclosure, and then just focusing on foreclosing on the house if and when the New York State Government allows that to be foreclosed on. Are you good with that?

Chris Hay: Yes.

Beth Gilles: Okay. So I'd actually like to do a motion to that effect just so I have a resolution from the board in his file. So can I have a motion to allow the restaurant to go into tax foreclosure and foreclose on the house?

Chris Hay: I'll make that motion

Beth Gilles: Motion by Chris Hay.

Chad Richards: I'll second.

Beth Gilles: Second by Chad Richards.

Chad Richards: Sure.

Beth Gilles: All those in favor?

Multiple people: Aye.

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Beth Gilles: Opposed? Hearing none, motion passes. Okay. Do you guys have any questions on our myriad of foreclosures? Okay.

Dave O'Brien: Did you talk today about mushroom farm guy? What do we going to do with him?

Beth Gilles: Yeah, I did, when I was doing the loan balance report. So I talked to Ted. He said that he is going to continue, he's going to start making his monthly payments. He's also going to make an extra $400 a month on his first loan, and an extra $100 a month on his second loan. His loan payments are due on the 10th and the 23rd, um so, if he makes them on the days they're supposed to be on, the first one we wouldn't know until next Friday whether that payment was made.

Dave O'Brien: Okay. Thank you.

Beth Gilles: He had been sent, because he's got one loan that's 142 days late and one that's 68. He was sent final notice letter on the loan that's 142 days late. So we prefer to work something out, but we're watching him.

Dave O'Brien: Okay. Thank you.

Beth Gilles: Okay, so I don't have any Other. Our next scheduled meeting is April 9, 2021, at 10am. But Jamie, I know, is working on some other COVID loans. Do you have an idea, Jamie, of maybe when we'd want to convene, again, for those, just to give everybody an idea?

Jamie White: I have two and I was actually able to give you, you know, if you have time on the 20th. I might be able to do that. Or if we can do one more before the end of this month. I would have at least 2 that will likely be ready for that.

Beth Gilles: Chris, you said you were good at nine o'clock on the 20th, for how long?

Chris Hay: Just until 10.

Beth Gilles: Until 10, okay. We won't be able to get through 2 loans and everything. How about I send a doodle poll out for the end of this month, beginning of February. And

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then we can look at two more loans for the COVID-19 program. Sound good? Okay. So, I'll do that as well.

Jamie White: Only one under the, you know, the regular COVID and then one under the MicroLoan.

Beth Gilles: Okay. Great. Okay. Anybody have anything else they would like to discuss? Can I have a motion to adjourn?

Christy Wilt: I'll make the motion.

Beth Gilles: Can I have a second?

Chad Richards: I'll second.

Beth Gilles: Second by Chad. All right. All those in favor.

Multiple people: Aye.

Beth Gilles: All right. Great. Thanks, everybody for your time this morning and I will get you what I can from Slick Fin. Thanks, guys.

Respectfully submitted by Carrie Yakush, Senior Account Clerk, LCLGRPB.