



North Country Alliance
Box 8561, Clarkson University
Potsdam, New York 13699-8561
Telephone (315) 268-3778
Telefax (888) 268-3508
info@northcountryalliance.org
www.northcountryalliance.org

Loan Fund Administration
c/o Development Authority of the North Country
317 Washington Street
Watertown, New York 13601
Telephone (315) 661-3200
Telefax (315) 661-3201

**North Country Alliance Local Development Corporation
Loan Review Committee Meeting
August 9, 2018 at 2PM
Minutes**

The North Country Alliance Local Development Corporation held a NCA Loan Review Committee meeting on Thursday, August 9, 2018 at 2 PM via conference call. Dial information 1-800-977-8002 Participant Code 368009#.

Present: Ron Bacon, Al Dunham, Tom Plastino, Deb McAtee, Steve Hunt, Marijean Remington, and Ron Charette

Excused: Ross Pancoe and Brian Gladwin

Others: Matt Siver (DANC), Carol Calabrese (Loan Sponsor, Essex County IDA)

Call to Order: The meeting was called to order at 2:04 PM by Tom Plastino (Chair)

I. New Business:

- a. Meeting Minutes (Approval of Minutes July 16, 2018)
 - i. Motion: A. Dunham
 - ii. Second: R. Bacon
 - iii. All Approved 08/09/2018
- b. NCA Loan Review Committee Request from War Canoe Spirits for a Bridge Loan in the amount of \$200,000 for 1 year at 5% interest only until grant disbursement. The bridge loan request, if approved, will be secured by assignment of grant proceeds from RESTORE IV Capital Grant AB790 and the personal guarantee of Paul Besignano. M. Siver indicated that the previously tabled request for \$200,000 to War Canoe Spirits was attempting to bridge a grant further down the line from ESD for the larger project. M. Siver indicated that P. Besignano is currently in the reimbursement process and he completed the first reimbursement review. P. Besignano expects that the first portion of the RESTORE Grant will be reimbursed in November or December 2018. According to P. Besignano he has spent \$505,000 to-date and since acquiring the site he has completed substantial soft cost items. The NCA has been in contact with John Vandelloo from ESD and based on that conversation he appears to be reasonably comfortable with the operator, all the documentation he has seen for reimbursement thus far, and the commitment from the Town of Crown Point on this project. R. Bacon had a question about the 10% retainage and if it was held back on the entire grant or the

last reimbursement for the grant. S. Hunt indicated that based on his knowledge of the RESTORE Program the 1st portion of the grant that is currently being considered for reimbursement is not subject to the 10% retainage and the retainage would occur during the final reimbursement at the end of the grant. R. Bacon also had a question on the time table for reimbursement and S. Hunt gave R. Bacon a brief overview of the process for the timeline for the RESTORE Program and indicated that based on where P. Besignano is at with the project and if everything is eligible for reimbursement he should be looking at the time frame of December 2018. The subject of having the borrower provide copies of invoices submitted for reimbursement to close the loan was brought up by a few members. M. Siver indicated that would not be a problem to add on as a contingency for the project. Carol Calabrese participated on the conference call as the loan sponsor.

- i. Motion: A. Dunham
 - ii. Second: R. Bacon
 - iii. All Approved 08/09/2018
- c. M. Siver distributed a portfolio overview for review with the committee. M. Siver noted that Saranac Country Store is behind 2 months and made one payment last month. M. Siver indicated that he is working with them to bring them current. M. Siver also indicated that Mace Chasm Farm is three months delinquent on their bridge loan although based on his convo's with Essex County Soil and Water the bridge loan should be paid off in the September 2018 time frame. M. Siver indicated that Kingston Pharma's loan closed on August 3rd. M. Siver indicated that other than these two loans that majority of the loans in the portfolio are current or paying on time.
- d. T. Plastino brought up a subject at the end of the conference call for discussion and an agenda item in reference to the bridge loan program. Essentially Tom wanted the committee to discuss revised guidelines for the program as he thought it was dangerous to potentially bridge grants over large periods of time with retainage or employment bench marks where our funds are not the last funds into the project. M. Siver indicated that he would touch base with M. Capone and schedule a time to discuss with T. Plastino and come up with some discussion points for the next loan review committee meeting scheduled for September 2018.

II. Adjournment: The meeting was adjourned at 2:28 PM.

The next North Country Alliance Loan Review Committee meeting is scheduled to be held on September 13, 2018 at 2 PM.