Motion: A. Dunham

Second: R. Bacon

NCA LRC Approved 11/6/2023

**North Country Alliance Local Development Corporation**

**Loan Review Committee Meeting**

**October 16, 2023**

**Minutes**

The North Country Alliance Local Development Corporation held a NCA Loan Review Committee meeting on Monday, October 16, 2023 at 12PM via WebEx.

**Present:** Brian Gladwin, Marijean Remington, Ron Bacon, Al Dunham, and Steve Hunt

**Excused:** Ross Pancoe

**Others:** Matt Siver (DANC), Cheyenne Steria (Lewis County IDA, Loan Sponsor), and Michelle Capone (DANC)

**Call to Order:** The meeting was called to order at 12:05 PM by Brian Gladwin

1. **New Business:** 
   1. NCA Loan Review Committee Minutes – September 18, 2023
      1. Motion: A. Dunham
      2. Second: M. Remington
      3. NCA LRC Approved 10/16/2023
   2. NCA Loan Review Committee Request – Bridge Loan Program – Tug Hill Artisan Roasters, LLC – M. Siver presented the loan request for $200,000 for 24 months at WSJ Prime minus 1% with a floor of 5% fixed at closing interest only repayment until payoff. The loan will function as a line of credit and will not exceed $200,000 at any point. M. Siver indicated that the bridge loan will be used to bridge the financing for a RESTORE Grant with a participation from the Development Authority of the North Country. The bridge loan will be secured by an agreement between the Village of Lowville and Tug Hill Artisan Roasters, LLC in regard to the RESTORE NY grant of $900,000. The company has requested that ESD allow for 3 draws of $300,000 each and this is pending approval by ESD. The RESTORE Grant was awarded to the Village of Lowville for the Old Jail/Tug Hill Artisan Roasters project for the restoration of a vacant building to include commercial spaces, improvements to the parking lot and entrance, and construction of an outdoor dining patio. M. Remington asked what the likelihood that ESD will allow the grant to be split into 3 draw of $300,000. S. Hunt indicated that the split is realistic and will go to ESD’s Board upfront and most likely would be approved. M. Remington also asked the time frame for completion of the project and M. Siver indicated that he did not believe it would exceed the requested 24 months. C. Steria indicated that the project should be completed within the 24 months as they have significant help/hand holding from County Planning on the project. R. Bacon asked if the request would be all drawn and once or if it would act as a revolving line of credit. M. Capone indicated that the request would be setup as a revolving line of credit and we could draw the funds in any combination necessary as she has ample experience managing various pots of money to funds projects. R. Bacon asked if the NCA will require evidence/documentation of the work being completed and M. Capone indicated that would be the case with a site walk through and invoices prior to approval of draws. R. Bacon asked if the only collateral was the grant proceeds and M. Siver and M. Capone indicated that is the case. M. Capone indicated that she had a good feeling for comfort on this project as County Planning is helping assist in addition to Naturally Lewis. R. Bacon asked if we could be put on the checks for reimbursement and M. Capone indicated that we could not. M. Remington asked about the MWBE plan and issues finding contractors and M. Capone indicated that we are simply requiring them to provide the MWBE utilization plan or waiver they submit to the state. M. Capone thought that Marzano Paving was a MWBE for the parking lot portion of the project. M. Remington asked if the property was asbestos free and if it had been abated. C. Steria indicated that the property is asbestos free as that was the initial part of the project and the initial heavy lift and addressed the previous grant. M. Remington indicated that the projections showed rapid growth and C. Steria thought that would eventually level off as they rent the building. B. Gladwin indicated that the biggest risk involved with this project is following and complying with the terms of the grant. M. Capone indicated that the comfort is higher with this project do to the technical assistance they are receiving from County Planning and Naturally Lewis. M. Capone indicated that most likely we will be seeing a lot of these types of requests for NY Forward Grants and RESTORE Grants. R. Bacon thought it was prudent that the company budgeted a contingency for an over run and overall he is fine with the project request.
      1. Motion: A. Dunham
      2. Second: B. Gladwin
      3. NCA LRC Approved 10/16/2023
   3. NCA Bridge Loan Extension – War Cannon Spirits, LLC #4 – M. Siver indicated that Paul is simply waiting on the reimbursement and it should be done any time now and the request is to extend the interest only payments through the end of December 2023 to provide time for the reimbursement and loan payoff. B. Gladwin thought that this was a good relationship with this company and project and supported the extension.
      1. Motion: A. Dunham
      2. Second: R. Bacon
      3. NCA LRC Approved 10/16/2023
   4. NCA Support Letters for NY Forward and other grant support packages – M. Siver indicated that Our Cup of Joy, Inc. and Black River Valley Naturals, LLC. requested letters of support for their projects. The committee had a general back and forth discussion on the topic and S. Hunt filled the committee on the level of letters from supporting the idea of the project to an actual commitment letter for the project and they are scored accordingly from 0-5 based on the strength of the support letter. M. Remington elaborated on her experience with the letters and where they went in her grant submission package. The committee was generally in favor of the soft support letters indicating they could apply for financing etc. B. Gladwin indicated that he would be happy to help with that process and M. Capone indicated she had a few template letters that she read for the committee indicating general support for projects and their ability to submit a request for financing to the North Country Alliance. M. Capone is going to forward the template letters to B. Gladwin to word smith and move forward with a template for the NCA.
2. The next North Country Alliance Loan Review Committee meeting is scheduled to be held as needed.