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Loan Fund Administration
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Motion: M. Remington
Second: A. Dunham
NCA LRC Approved: 09/05/2019

North Country Alliance Local Development Corporation
Loan Review Committee Meeting
August 1st, 2019 at 2PM
Minutes

The North Country Alliance Local Development Corporation held a NCA Loan Review Committee meeting on Thursday, August 1st, 2019 at 2:00 PM via conference call. Dial information 1-800-977-8002 Participant Code 368009#.

Present: Brian Gladwin, Ron Bacon, Deb McAtee, Ross Pancoe, Marijean Remington, Al Dunham, and Tom Plastino

Excused: Steve Hunt

Others: Matt Siver (DANC) and Carol Calabrese (ECIDA: Loan Sponsor)

Call to Order: The meeting was called to order at 2:03 PM by Tom Plastino

I. New Business:

- a. Meeting Minutes (Approval of Minutes July 11th, 2019)
 - i. Motion: A. Dunham
 - ii. Second: F. Philippe
 - iii. All Approved

- II. Loan Review Request –** M. Siver presented a bridge loan request from War Canoe Spirits, LLC. in the amount of \$200,000 for 1 year interest only at WSJ Prime minus 1% with a floor of 5%, fixed at closing. The proposed bridge loan will bridge the 2nd phase of the RESTORE IV Capital Grant AB790. Mr. Besignano previously applied for a bridge loan for the 1st phase of the project on August 15th, 2018, closed on October 17th, 2018, and paid off the NCA's loan on June 17th, 2019. Mr. Besignano met all the requirements for the 1st phase of reimbursement and paid the NCA as agreed. M. Siver gave an overview of the work completed in the 1st phase of the project and the work to be completed in the 2nd phase of the project. Carol Calabrese indicated that M. Siver's summary of the project was accurate and she indicated that she has been working with Paul for some time now. She indicated that he was very responsive and seemed to be very on top of the project and its progression. R. Pancoe asked if there was any MWBE requirements for the grant funds and M. Siver indicated after looking at the grant that

there is a 30% requirement. M. Siver indicated that John VanDeLoo indicated previously that the company was on target to meet all the grant requirements, although he has recently retired from Empire State Development. M. Remington indicated that Atlantic Testing Laboratories previously completed some environmental work on the project as part of the MWBE requirement. B. Gladwin asked about the sources and uses of funds and stated that it is the same as the previous sources and uses covering the entire project. He indicated that he would like to see the itemization of phase 1 and phase 2 of these types of projects moving forward. He asked about the \$208,000 equity injection and M. Siver indicated that to his knowledge at least half had been injected for the grant and the full amount of the \$208,000 would be injected prior to grant completion. B. Gladwin asked if we consider taking a lien on business assets in this type of circumstance and T. Plastino and M. Siver indicated that we have not done that historically. T. Plastino indicated that the personal financial statement for the personal guarantee in this circumstance is sufficient, although we may consider doing that if the personal financial statement isn't as solid on a future project. M. Remington indicated that in her dealings with Mr. Besignano that he was very forthright and seemed to be thorough and Carol Calabrese echoed that statement. B. Gladwin indicated that he would like to see an updated sources and uses based on the updated phases of the project and M. Siver indicated he would reach out to get that updated from Mr. Besignano.

- a. Motion to approve: B. Gladwin
- b. Second: M. Remington
- c. All approved 8/1/2019

III. Adjournment: The meeting was adjourned at 2:31 PM.

The next North Country Alliance Loan Review Committee meeting is scheduled to be held Thursday September 5th, 2019 at 2:00 PM.