

MINUTES OF MEETING HELD DECEMBER 29, 2020

THE MEMBERS OF THE BOARD OF DIRECTORS OF THE WARREN COUNTY LOCAL DEVELOPMENT CORPORATION

A meeting of the Members of the Board of Directors of the Warren County Local Development Corporation (LDC) was held on December 29, 2020 at 10:30 a.m. in the Board Room/Remote Access at the Warren County Municipal Center, pursuant to the Notice of Meeting emailed December 28, 2020.

The meeting was called to order by Peter McDevitt, Chairman of the Warren County Local Development Corporation at 10:30 a.m.

The following Directors were present:

Peter McDevitt	Eugene Merlino
Matthew Simpson	Brad Magowan
Craig Leggett	

The following Directors were absent:

Others Present:

Jim Siplon, Interim President, Warren County Local Development Corporation
Lisa Daly, Warren County Local Development Corporation
Linda Oldenburg, Warren County Local Development Corporation
Frank Thomas, Chairman, Warren County Board of Supervisors
Kevin Geraghty, Warren County Supervisor
Andrea Hogan, Warren County Supervisor
Bennet Driscoll, Warren County Supervisor
Robert Terwilliger, Warren County First Assistant Attorney
Wayne LaMothe, Warren County Planner
Patricia Tatich, Warren County Associate Planner
Donald Lehman, Warren County Director of Public Affairs
Kristy Miller, Confidential Secretary to the Warren County Administrator

Chairman McDevitt called the meeting to order. He asked for a motion to approve the minutes of the November 25, 2020 Regular Board meeting. Motion made by Director Merlino and seconded by Director Simpson. Motion carried unanimously.

Chairman McDevitt continued with the agenda regarding the review and approval of the November 2020 Financial Statements. Mr. Siplon advises of nothing out of the ordinary for the November 2020 Financial Statements.

Chairman McDevitt asked for a motion to approve the November 2020 Financial Statements. Motion was made by Director Simpson and seconded by Director Magowan. The following motion was unanimously carried:

RESOLVED, that the Warren County Local Development Corporation (“LDC”) hereby approves the Financial Reports for November 2020.

Chairman McDevitt continued with the agenda regarding the review of the Loan Portfolio. Ms. Oldenburg advises that a bank check was received from the Barking Spider, which still carries a loan balance that she will discuss with him at the beginning of the year to try and take care of the remaining balance. She also advises that Nettle Meadows is on board with commencing payments again in January. Chairman McDevitt questions the Stone Cast loan and Ms. Oldenburg advises that it would have to be discussed in executive session.

Mr. Siplon explains that they are slowly gaining traction either with securing payments or when they will start resuming payments and is pleased with the progress that is being made. He continues to explain that they are in a much better place now in comparison to a couple of months ago and the three or four issues that remain, he would like to take up in executive session.

Chairman McDevitt continued with the agenda regarding the review of balloon payments for two loan recipients. Ms. Oldenburg advises that there are two loans that have balloon payments and the loan recipients are not able to make those payments and she asks the committee members for advice on how they should handle those payments either by extending the balloon payment a year or two due to COVID. Mr. Siplon explains that his suggestion would be that they extend the exact same process that they did to ongoing payments in regards to the impact of COVID with some reasonable relief around the balloon payments. He continues to explain that he would like to work out the exact wording with the County Attorney and with the Board’s approval. Chairman McDevitt asks which loans have the balloon payments and Ms. Oldenburg advises that one is Burlap & Beams and the other is Adirondack Fishing Adventures.

Chairman McDevitt asked for a motion to approve the support of working out the terms and conditions for the extension on the two balloon payments. Motion was made by Director Simpson and seconded by Director Magowan. The following motion was unanimously carried:

RESOLVED, that the Warren County Local Development Corporation (“LDC”) hereby approves the support of working out the terms and conditions of the loans for Burlap & Beams and Adirondack Fishing Adventures and the extension on the loan balloon payments.

Chairman McDevitt continued with the agenda relating to potential Warren County LDC support for facility problems such as dome (snow) or fire losses. Mr. Siplon advises that there are three specific incidences that Warren County has now, but it is more of a general question of whether or not the LDC is a potential resource for these types of cases. He explains the fires that took place in the Towns of Warrensburg and Bolton as well as the snow impact associated with Doug Miller’s “Dome” all of which are significant economic drivers in their unique communities. He continues to explain that this is a gray area where the LDC has not developed a particular program to support or supplement any disaster relief or gaps related to insurance settlements, but it could make the difference of whether or not these businesses are able to reestablish themselves. He defers to the Board as to whether or not they can explain what potential relief the LDC can provide in the way of loans to existing businesses to help them resolve the issues associated with gaps on their recovery from disasters.

Director Leggett questions the mission of the LDC, which the Board would have to be guided by when it comes to relief programs as well as with insurance coming in to play when it comes to these types of disasters. He advises that the LDC has typically been that gap funding where they could come in to place with helping out with the insurance deductible.

Director Merlino advises that he thinks the LDC should wait to help these businesses until they rebuild and get ready to open and then lend them some money to advertise or buy some new equipment.

Director Magowan indicates that he likes the idea as it is really reaching out and helping these businesses that have taken a major hit. He explains that any business that has suffered a major catastrophe he would like to move forward with a program to help them out. He continues to explain that he would like some type of coverage in the event the business fails, but would like to move forward to see what the LDC can do to help with that gap. He asked if any of these businesses have reached out to the LDC yet and Mr. Siplon advises that they have reached out proactively to all three businesses and is trying to find out if this is something worth exploring and has not made any commitments. He indicates that the LDC would only help them navigate their process such as helping them understand their insurance, next would be the disaster relief and finally helping them with any COVID related funds that could help with working capital. He explains that they could develop a loan based around the insurance deductible that has a claw back provision that clearly says that they have to commit to these contracts and the actual improvements before it is executed and it would be reasonable to a small business loan that the LDC typically provides.

Director Magowan states that after Mr. Siplon's explanation, he would like to explore this loan program in more detail and sees it as a great opportunity for the LDC.

Director Leggett asked if Mr. LaMothe or Mr. Tatich could weigh in on the conversation and if this type of program is within the mission and scope of the LDC. Mr. LaMothe indicates that he believes this would be within the scope of what the LDC does. He advises that the LDC was instrumental with the construction of the "Dome" along with subsequent assistance to that business. He explains that it is creation and retention of jobs, so if those businesses don't open you are not retaining those jobs. He continues to explain that he believes that it falls within the parameters of the LDC's mission statement and priority.

Chairman McDevitt advises that he feels comfortable with Mr. Siplon perusing the issues at hand and ultimately he will have to come back to the Board for approval. Mr. Siplon indicates that he would like to explore these three businesses and bring them back to the Board if he thinks that the LDC can provide any assistance.

Chairman McDevitt asked for a motion to go into executive session to discuss pending past loan applications and responsibilities. Motion made by Director Merlino and seconded by Director Simpson. The motion carries unanimously.

Executive session was declared from 10:56 a.m. to 11:15 a.m.

Committee reconvened and Chairman McDevitt stated no action was taken in Executive Session.

Director Merlino asked what type of business 59 Lake LLC is on the Loan Portfolio and Ms. Oldenburg advises that she believes it is a paving business, but will look into it and email the Board.

Chairman McDevitt continued with the agenda regarding matters to be discussed from EDC President, Jim Siplon. Mr. Siplon advises that there is two steps to the process that he is trying to engage on behalf of the Board and those are to get clarity and closure on as much of the portfolio as they can as well as what the LDC does going forward. He indicates that he believes conversations need to be had about exploring the potential ways that the LDC funds can be used such as where are the gaps in the going forward economy and any potential changes to the LDC's mission. He advises that he thinks it is very important that when we come out of the pandemic to be willing to look at other things that the LDC could or should be doing to further that mission.

Chairman McDevitt explains that it is very important that the LDC is viewed as relevant and keeping up with the times we live in.

Director Simpson thanks everyone and states that it has been a pleasure serving with everyone over the last 7 years on the LDC and wishes everyone a safe and happy New Year.

Director Leggett advises the Board that 59 Lake LLC is Darrah Land Surveying out of Lake Luzerne.

As there was no further business to come before the LDC Board, motion was made by Director Merlino to adjourn the meeting, seconded by Director Simpson, and carried unanimously.

Chairman McDevitt adjourned the meeting at 11:21 a.m.

Dated: January ___, 2021

Brad Magowan, Secretary