



Beth Gilles, Director
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EXECUTIVE COMMITTEE

Special Meeting

February 15, 2022 9:00 am

LCLGRPB Offices, Lake George, NY

Zoom

AGENDA

1. Welcome
 2. Approval of December 7, 2021 and February 3, 2022 meeting minutes
 3. Scarlotta's Car Hop Loan Application
 4. War Cannon Spirits Loan Application
 5. Sacket's Boathouse Loan Application
 6. Lake Motel Loan Application
 7. Other
 8. Adjourn
-

Vice-Chair Wilt called the meeting to order at 9:02 am.

MEMBERS PRESENT

Al Nolette
Christy Wilt
John Strough
Beth Hunt
Dave O'Brien (entered 9:12 am)

ALSO PRESENT

Beth Gilles

APPROVAL OF DECEMBER 7, 2021 AND FEBRUARY 3, 2022 MEETING MINUTES

Ms. Wilt asked the committee if there were any changes to be made to the January 7th and February 3rd meeting minutes.

Hearing no changes, Ms. Wilt asked for a motion to approve the minutes.

Mr. Nolette made a motion.

Mr. Strough seconded.

Hearing no further discussion and no opposed, motion carried.





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SCARLOTTA'S CAR HOP LOAN APPLICATION

Ms. Wilt gave an overview of the loan application. Ms. Gilles noted that this is a co-funded loan with the Washington County LDC. The original ask from our fund was \$150,000, but the Loan Committee was concerned the Barlow's did not have enough working capital, so the ask has been increased to \$175,000. The Loan Committee approved a \$175,000 real estate and working capital loan, 5% for 15 years, six-months interest only, collateral is a co-equal first on 45 Quaker Street Granville, NY, co-equal first on 3936 VT Rte 153, West Pawlet, VT and a blanket lien on business assets; personal guarantees from Wes Barlow and Laura Barlow.

Mr. Nolette asked how comfortable the Loan Committee is with the collateral. Ms. Gilles noted the new appraisal on 45 Quaker Road came back at \$295,000 without equipment, and the tax info on the Vermont property shows a value of \$194,500. Those properties, coupled with the blanket lien on assets made the Loan Committee comfortable with the collateral.

Mr. Strough asked for clarification on the loan fund that this loan will come out of. Ms. Gilles answered that this loan is under the Small Business Loan Fund.

Mr. Nolette made a motion to approve a loan to Scarlotta's Car Hop in an amount over \$150,000 and to approve the loan to Scarlotta's Car Hop at the terms set by the Loan Committee.

Seconded by Mr. Strough.

Hearing no further discussion and no opposed, motion carries.

WAR CANNON SPIRITS

Ms. Wilt gave an overview of the War Cannon Spirits loan application. Paul Besignano is seeking \$130,000 in working capital from the Small Business Loan Fund. Ms. Wilt stated that Mr. Besignano has been at this project for several years, he is going to have craft sodas and spirits and some food. The Loan Committee approved a \$130,000 working capital loan at 5.5% for 7 years. Ms. Gilles noted this is a co-loan with Essex County IDA. She also stated that Mr. Besignano is going to distill in the old Adirondack Meat building in Ticonderoga and sell in Crown Point. The collateral is a co-equal second on the Ticonderoga property and a co-equal first on the Porter Mill property and a blanket lien on business assets. We would also get a personal guarantee from Mr. Besignano, corporate guarantee from the two other LLCs, and require Mr. Besignano to get a life insurance policy in the amount of the loan. The Committee also approved six-months interest-only. Ms. Wilt noted Mr. Besignano's persistence with this project.

(Mr. O'Brien entered the meeting)

Mr. Strough asked for clarification on the collateral. Ms. Gilles explained the Loan Committee's stance on the LTV of the Crown Point site.





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Mr. Nolette noted that Mr. Besignano seems very extended. Ms. Wilt responded that the Loan Committee is comfortable with the collateral.

Ms. Gilles asked for a motion to approve the loan as approved by the Loan Committee.

Motion made by Mr. Strough.

Seconded by Ms. Hunt.

Hearing no further discussion and no opposed, motion carries.

SACKETS BOATHOUSE LOAN APPLICATION

Ms. Gilles reviewed the Sackets Boathouse Restaurant loan application. This request is through the COVID-19 loan fund. Ms. Gilles noted that Cheryl Cring is the wife of Ryan Chaif, who we gave a \$150,000 COVID-19 loan fund for his business. However, this is a separate business and a separate personal guarantee, and the Loan Committee was comfortable with the request. Ms. Cring is looking for a \$150,000 working capital loan. She is a restaurant in a tourist area, the Boathouse is the big seafood restaurant, and the Chicken Coop is the smaller walk-up counter, and is having issues with staffing. She is looking to provide a living wage and benefits for her staff. Her cost of goods has also gone up significantly. The Loan Committee approved a \$150,000 working capital loan at 0% for the first 12-months, 1.9% for the remaining term, term of 5 years, collateral is a blanket lien on business assets and a personal guarantee from Cheryl.

Mr. Strough asked about the collateral. Ms. Gilles responded that it is a blanket lien on business assets. There were no other questions from the Committee.

Mr. Nolette moved to approve the loan at the terms set by the Loan Committee.

Seconded by Ms. Wilt.

Hearing no other discussion and no opposed, motion carried.

LAKE MOTEL LOAN APPLICATION

Ms. Gilles reviewed the Lake Motel loan application with the Committee. This is a COVID-19 loan request for resiliency. The borrower is Crocelli Properties, dba Lake Motel. They are a motel in Lake George that is renovating their bathrooms and buying new dryers for improved cleaning. There will also be ventilation installation. The Loan Committee approved a \$150,000 fixed asset loan at 0% for the first 12-months, 1.9% for the remaining term, term of 10 years, collateral is a second position mortgage on 380 Canada Street, Lake George (the Lake Motel site with current equity of \$1.4M), personal guarantees from Stephen Puricelli and Vincent Crocitto.

Mr. Strough made a motion to approve the loan at the terms set by the Loan Committee.

Seconded by Ms. Hunt.

Hearing no further discussion and no opposed, motion carried.





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OTHER

Mr. Nolette thanked Ms. Gilles and the loan committee for getting some new loans for the organization as this is how the fund stays afloat. He also mentioned that A&S Customs paid off their loan.

Having heard no other business to come before the committee, Mr. Strough made a motion to adjourn. Ms. Hunt seconded. Hearing no further discussion and no opposed, meeting adjourned at 9:24 am.

Respectfully submitted by Beth Gilles, Director, LCLGRPB.

