



LAKE CHAMPLAIN-LAKE GEORGE

**REGIONAL
PLANNING**

BETH GILLES
DIRECTOR

PO BOX 765
LAKE GEORGE, NY 12845
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EXECUTIVE COMMITTEE
Special Meeting

March 24, 2023
2:00pm

Locations:

LCLGRP.B Office, Conference Room, 1 Lower Amherst St. Lake George, NY 12845

Washington County Classroom (Building B, Second Floor) Washington County Municipal Center
383 Broadway Fort Edward, NY 12828

Hamilton County BOS Conference Room, 102 County View Drive Lake Pleasant, NY 12108

Town of Queensbury, Supervisors Conference Room, 742 Bay Road, Queensbury, NY 12804

Town of Hampton, Town Hall, 2629 State Route 22A, Hampton, NY 12837

AGENDA

1. Welcome
2. Approval of minutes from February 27, 2023 meeting
3. Towne Store, LLC – Loan Application
4. War Cannon Spirits loan subordination
5. Other
6. Adjourn

Chairman O'Brien called the meeting to order at 2:02pm

MEMBERS PRESENT

Dave O'Brien (Hampton)

Christy Wilt (Lake Pleasant)

Al Nolette (Fort Edward)

John Strough (entered at 2:08) (Queensbury)



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MEMBERS ABSENT

Beth Hunt

ALSO PRESENT

Beth Gilles, LCLGRPB

Ian Danforth, LCLGRPB

APPROVAL OF FEBRUARY 27, 2023, MEETING MINUTES

Chairman O'Brien asked for a motion to approve the February 27, 2023, meeting minutes.

Motion made by Mr. Nolette.

Seconded by Ms. Wilt.

Hearing no additions or corrections and no opposed, motion carried.

TOWNE STORE, LLC – LOAN APPLICATION

Mr. Danforth discussed the Towne Store, LLC application which was approved by the LAC with the following terms: \$141,000 loan for a term of 10 (ten) years with an interest rate of 7%. The collateral is a co-proportional first-position mortgage with AEDC (Adirondack Economic Development Corporation) on the business property in Schroon and a co proportional second position mortgage with AEDC on the Paradox Lake property in Severance.

Mr. Danforth noted that the Loan Administrative Committee requested revised cash flows to account for the Ragland's global cash flows and capture all of their outside income and new debt payments.

Mrs. Gilles then added that the acquisition of the business is made up of two separate contracts, one for the business property and one for the purchase of the business. The Ragland's are refinancing their Delaware home to fund the building acquisition, giving the LCLGRPB and AEDC first position. This, coupled with the mortgage on the house, will cover the debt.

Mrs. Gilles explained that the Regional Planning Board will also have a blanket lien on business assets along with a corporate guarantee from Yellowbird Collective, LLC, the real estate holding company, and a personal guarantee from Amanda Ragland as she will be 100% owner of the business. She also added that the Ragland's have a plan to move up to their Severance home full-time starting this summer. Ryan will run the store and Amanda will keep her full-time remote job as a retail buyer. Mr. Danforth then noted that the Ragland's also own a commercial building in Ohio that has a strong 10-year lease.



Ms. Gilles added the loan will need to be approved with an appraisal waiver on the business building because Amanda wants to secure both the business and the building before the start of the regular business season in May. Mr. Danforth then that added the total assessed value for the business was \$210,000 and the Ragland's purchase price for the building is \$300,000.

With no further discussion, Chairman O'Brien entertained a motion to approve the loan for the Towne Store, LLC with the terms set by the LAC and a waiver on an appraisal for the business building.

Motion by Mr. Strough.
Seconded by Mr. Nolette.

Mr. Nolette then discussed that while the collateral is decent, he hopes there won't be any requests for collateral subordination in the future, as there has been an uptick in requests lately. Mr. Danforth noted that there is a possibility the Ragland's will request a subordination in the future depending on how they structure the future debt of the business. Hearing no other discussion and no opposed, motion carried.

WAR CANNON SPIRITS LOAN SUBORDINATION

Mr. Danforth explained that this subordination request from the Small Business Administration (SBA) is associated with the subordination request on Mr. Besignano's life insurance that was approved last month. The SBA is requesting the RPB subordinate to their blanket lien on business assets as part of a \$400,000 SBA loan. This moves the RPB's blanket lien from 4th to 5th position. Mr. Danforth again noted from the previous subordination request, the Regional Planning Board has strong real estate collateral with the property in Crown Point and a property in Ticonderoga.

Mr. Nolette noted that this subordination is less of a concern when the Regional Planning Board moves within lower positions, like in this case, but when there are requests for the RPB to move from 1st to lower positions, that's where his concerns lie.

With no further discussion, Chairman O'Brien entertained a motion to approve the subordination request from War Cannon Spirits.

Motion made by Ms. Wilt.
Second made by Mr. Strough.

Mr. Strough asked Mr. Nolette if he was comfortable with this subordination request. Mr. Nolette answered in the affirmative, clarifying that the RPB is already in a low collateral



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position, so he has no concerns with this request.

Hearing no other discussion and no opposed, motion carried.

OTHER

None

ADJOURN

Chairman O'Brien adjourned the meeting at 2:16pm