

IDA

**CONFERENCE ROOM
LAKE PLEASANT, NY**

MARCH 13, 2018

The meeting was called to order by Chairman Towers at 2:00 P.M. with the following members present:

Brian Towers, Chairman
William Farber, Vice Chairman
Tim Brownsell
Robin Morrison

Absent:
Robert Peck
Tim Pine
James Bateman

Also Present:
Christy Wilt, Executive Director
Laura Abrams, Secretary

Minutes:

Mr. Farber made a motion to approve the minutes for the October 26, 2018 meeting. Seconded by Mr. Brownsell. Carried.

Finance Report:

Ms. Wilt explained that BST is doing the audit. In the packet there is a letter from them explaining what they are doing. When Black River Bookkeeping looked at the books they had her move a couple of things that effected the profit and loss statement that she usually prints for the meeting, they are still working on it. Ms. Wilt did report that as of February 28th in NBT Bank they had \$226,383.35, since then there have been two regular payments plus DRAG has paid back \$14,954.40. As of today we have \$241,981.84 in NBT. In the USDA account as of Feb. 28, with no further deposits, we have \$43,886.81. DRAG has paid 90% of their loan fund, they are waiting to be reimbursed for the last 10%, they still owe \$14,400. That is the outstanding balance with interest. Ms. Wilt reported that the equipment looks and runs great. Everyone else is on time or ahead on payments.

Payment of Bills:

Black River Book Keeping	\$187.50
Robin Morrison - Mileage	\$ 32.70
Tim Brownsell - Mileage	\$ 70.85

Motion to pay to bills as audited by Mr. Brownsell, seconded by Mr. Farber. Carried.

Election of Officers:

Mr. Farber made a motion for the appointment of the following Officers, seconded by Mr. Brownsell.

Chairman – Mr. Towers

Vice Chairman – Mr. Farber

Treasurer – Mr. Morrison

Motion carried.

The Chairman appointed the following members to the Audit Committee:

Mr. Peck

Mr. Pine

Mr. Bateman

Governance Committee – All Board Members

New Business:

Ms. Wilt explained that in their packet they have a loan application from the Blueline Diner. The applicant has been working on this since at least last July. She attended the business class that was offered last year. She has already purchased the diner and started putting it together. Her business plan is complete, her financials look great and her projections are realistic. She is requesting \$100,000, that money will be used for booths, tables, kitchen equipment and working capital. She has already received a loan to start construction; she is working on her septic system now. Ms. Wilt stated that her plan is to get it started and hopes to lease or sell to somebody. The Board discussed the application. Mr. Farber asked if our entire loan would become due at the point where she turns it over to someone else. Ms. Wilt said yes, that will be clear in the paperwork, but she will still be responsible as long as she is leasing. Mr. Farber stated that he feels it is a needed business in Blue Mt. Lake and he would be interested in participating at some level, but we have some questions that need to be answered before we can take it up. The members asked Ms. Wilt to find out the total project cost, information about the indebtedness and recent appraisal on collateral. They would also like Ms. Wilt to let her know that our norm for this level loan is 10 years at 2%, and that if she sells it that the note would become due, if they lease it we would be willing to continue to hold the loan.

Ms. Wilt stated the next item to discuss is an offer on our property at 165 Elm Lake Road. The people making the offer would like to build a 28 room log lodge, it would be a woman owned business, it would have a wedding suite and a large lobby with a fireplace. They have discussed with Oak Mt. about putting in a cul de sac. The offer is \$15,000. The Chairman asked where the funding is coming from for the total project. Ms. Wilt stated he is working on a business plan with SBDC. Then they are going to apply for DANC funds and a bank loan. Ms. Wilt stated that they are proposing to put \$1,000 down on the property and have us hold the \$14,000 for five years at 2%. Mr. Farber feels the only way to sell at this low of a price would be under a dynamic where we set it up as a loan forgiveness at a realistic total price whereby if they met certain performance goals by end of year one and year two, we would forgive the final years of the loan. That assures

that we are not transferring the property to somebody that buys it and then the lodging doesn't come to fruition. Ms. Wilt stated that the lot was appraised at \$42,300. Ms. Wilt stated that it is the lot with the Oak Mt. sign and the snowmobile trail through it. He will have to keep both. The Chairman agreed, this would have to be part of a completed, operational project before we contemplated selling it for a third of what it is assessed for. The Board directed Ms. Wilt to offer them \$42,000, 10 years at 2% with the last 6 years forgiven if the lodging is developed at the end of 4 years, with them making monthly payments.

Ms. Wilt stated the next item on the agenda is the Long Lake Hotel Loan Application to the North Country Alliance. Carol Young has applied to the North Country Alliance for \$60,000 to finish phase III of her septic project. Ms. Wilt stated that she was on the meeting the other day and they have agreed to approve her loan if the IDA will agree to a co-proportional third position. We loaned her \$150,000, she has paid back about \$20,000. She always pays on time. Mr. Farber made a motion to accept the request to be at co-third position, seconded by Mr. Morrison. Mr. Farber explained that she needs to finish the project, she has another source for the funding, and this is a business that has proved over time of being very reliable in terms of making payments. Mr. Farber added to his motion that Ms. Wilt be authorized to sign any necessary documentation to facilitate this transaction. The seconder agrees. Motion Carried.

Old Business:

Ms. Wilt stated that The Woods Inn has been making his payments as agreed. She wanted the Board to know that she has sent him to other funding streams; he is applying for funding through DANC and North Country Alliance to try to move his project forward. She thinks he will be somewhere between \$40,000 and \$50,000 short of what he asked Adirondack Bank for, but it looks like he is getting somewhere. Ms. Wilt stated that it is still for sale.

As there was no further business, motion to adjourn by Mr. Farber, seconded by Mr. Brownsell. Carried.