

VERMONT ECONOMIC DEVELOPMENT AUTHORITY
LOAN COMMITTEE

Minutes

September 10, 2021

A meeting of the Vermont Economic Development Authority's Loan Committee convened on September 10, 2021 beginning at 9:01 a.m. Those Committee Members present via video conferencing were: S. Voigt, Vice Chair; B. Pearce; D. Kurzman; E. Delhagen (designee for J. Tierney); R. Shippee; T. Foster and A. Eastman (designee for A. Tebbetts). Staff present in VEDA's Offices were: A. Wright, Executive Assistant and Office Manager. Staff present via video conferencing were: C. Polhemus, Chief Executive Officer; P. Samson, Chief Lending Officer; T. Porter, Director of Commercial Lending; S. Croft, Senior Commercial Loan Officer; M. Wheeler, Senior Commercial Loan Assistant and K. Kilpatrick, Administrative Assistant. Those Committee Members present constituted a quorum. S. Voigt chaired the meeting.

Minutes of April 16, 2021

On a motion by E. Delhagen, seconded by T. Foster, the minutes for the April 16, 2021 Loan Committee Meeting were approved by those Members of the Committee present by a vote of 6 to 0 with the Chair abstaining.

1859 Mountain Rd., LLC – Idletyme Brewing Company – Stowe – Subchapter 5 – \$1,080,000

S. Croft presented the loan proposal and explained Idletyme Brewing Company of Stowe is requesting a \$1,080,000 Subchapter 5 loan. The loan will be secured by a second mortgage on property at 1859 Mountain Road, Stowe, Vermont.

After discussion regarding challenges to the restaurant industry during the pandemic, the benefits of the restaurant's location, and the pricing structure for this loan, on a motion by D. Kurzman, seconded by A. Eastman, the loan was approved by those Members of the Committee present by a vote of 6 to 0 with the Chair abstaining.

After thoroughly reviewing the loan request and proposed project, VEDA staff has made the following determinations per 10 V.S.A. § 262:

(1) The project is within the scope of this chapter and will increase or maintain employment and expand the economy of the State;

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(2) The project plans comply with all applicable environmental, zoning, planning, and sanitary laws and regulations of the municipality where it is to be located and of the State of Vermont;

(3) The making of the loan will be of public use and benefit;

(4) The proposed loan will be adequately secured by a mortgage on real property or equipment, or both;

(5) The principal obligation of the Authority's mortgage does not exceed \$1,500,000.00, which may be secured by land and buildings or by machinery and equipment, or both; unless:

(A) an integral element of the project consists of the generation of heat or electricity employing biomass, geothermal, methane, solar, or wind energy resources to be primarily consumed at the project, in which case the principal obligation of the Authority's mortgage does not exceed \$2,000,000.00, which may be secured by land and by buildings, or machinery and equipment, or both; such principal obligation does not exceed 40 percent of the cost of the project; and the mortgagor is able to obtain financing for the balance of the cost of the project from other sources as provided in the following section; or

(B) a single loan for which the principal amount of the Authority's mortgage does not exceed \$3,000,000.00 for an eligible facility consisting of a municipal telecommunications plant, as defined in 24 V.S.A. § 1911(2).

(6) The mortgagor is responsible and able to manage its responsibilities as mortgagor and owner of the project;

(7) The mortgage has a satisfactory maturity date, in no case later than 20 years from the date of the mortgage;

(8) The mortgagor is unable to finance the project upon reasonable terms without the assistance of the requested loan from the Authority, or in the alternative, the granting of the loan will serve as a substantial inducement for the establishment or expansion of an eligible project within the State;

(9) The mortgagor has made adequate provision for insurance protection of the project while the loan is outstanding; and


(10) The loan will be without unreasonable risk of loss to the Authority. Such findings when adopted by the Authority shall be conclusive.

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There being no other business to properly come before the Committee, on a motion by R. Shippee, seconded by D. Kurzman the meeting adjourned at 9:19 a.m.

ATTEST:

Vermont Economic Development Authority

By: 
Cassandra F. Polhemus, Chief Executive Officer