

VERMONT ECONOMIC DEVELOPMENT AUTHORITY
LOAN COMMITTEE

Minutes

December 10, 2021

A meeting of the Vermont Economic Development Authority's Loan Committee convened on December 10, 2021 beginning at 9:00 a.m. Those Committee Members present via video conferencing were: S. Voigt, Chair; T. Foster; L. Graves; R. Shippee; A. Eastman (designee for A. Tebbetts) and D. Kurzman. Staff present in VEDA's Offices were: P. Samson, Chief Lending Officer and A. Wright, Executive Assistant and Office Manager. Staff present via video conferencing were: C. Polhemus, Chief Executive Officer; T. Porter, Director of Commercial Lending; S. Croft, Deputy Director of Commercial Lending; M. Dussault, Senior Commercial Loan Officer and K. Kilpatrick, Administrative Assistant. T. Richardson, Chief Financial Officer and Member B. Pearce joined the meeting later via video conferencing. Those Members of the Committee present constituted a quorum.

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On a motion by L. Graves, seconded by D. Kurzman, the minutes for the November 19, 2021 Loan Committee Meeting were approved by those Members of the Committee present by a vote of 5 to 0 with the Chair abstaining.

At 9:01 a.m. T. Richardson joined the meeting.

1190 Stowe Realty Holdings, LLC and Flatbread Ventures – Stowe, LLC – Stowe – Subchapter 5 – \$880,000

S. Croft explained 1190 Stowe Realty Holdings, LLC and Flatbread Ventures – Stowe, LLC are requesting an \$880,000 Subchapter 5 loan. The loan will be secured by a mortgage on project property located at 1190 Mountain Road, Stowe, Vermont and a security interest on the business assets of Flatbread Ventures – Stowe, LLC.

On a motion by L. Graves, seconded by R. Shippee, the above loan request was approved by those Members of the Committee present by a vote of 5 to 0 with the Chair abstaining.

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

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

At 9:05 a.m. B. Pearce joined the meeting.

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Franklin County Industrial Development Corp. – Swanton – Subchapter 3 – \$2,600,000 –
Modification of Approval Conditions

M. Dussault explained the proposed terms to a lease between FCIDC and the tenant are necessary to move forward with the transaction previously approved at the November 19, 2021 Loan Committee meeting. M. Dussault then outlined the changes.

After discussion regarding the reasons for the changes and job retention benefits, on a motion by T. Foster, seconded by R. Shippee, the loan modification was approved by those Members of the Committee present by a vote of 6 to 0 with the Chair abstaining.

The determinations per 10 V.S.A. § 232 noted in the November 19, 2021 Minutes remain unchanged.

There being no other business to properly come before the Committee on a motion by L. Graves, seconded by T. Foster, the meeting adjourned at 9:16 a.m.

ATTEST:

Vermont Economic Development Authority

By: Cassandra F. Polhemus
Cassandra F. Polhemus, Chief Executive Officer