A meeting of the Vermont Economic Development Authority’s Loan Committee convened on June 10, 2022 beginning at 9:00 a.m. Those Committee Members present via video conferencing were: S. Voigt, Chair; T. Foster; B. Pearce; A. Eastman (designee for A. Tebbetts); R. Shippee; T. Gallagher; E. Delhagen (designee for J. Tierney); and D. Kurzman. Staff present in VEDA’s Offices were: P. Samson, Chief Lending Officer; J. Emens-Butler, Director of Closing and K. Kilpatrick, Administrative Assistant. Staff present via video conferencing: C. Polhemus, Chief Executive Officer; T. Richardson, Chief Financial Officer; C. Houchens, Chief Risk and Resource Officer; S. Isham, Director of Agricultural Lending; S. Croft, Deputy Director of Commercial Lending; Senior Loan Officers: M. Dussault and A. Wood; C. Leonard, Loan Officer and A. Wright, Executive Assistant and Office Manager. Member C. Carpenter joined the meeting via video conferencing later. Those Members of the Committee present constituted a quorum.

Minutes of May 13, 2022

On a motion by T. Gallagher, seconded by R. Shippee, the minutes of the May 13, 2022 Loan Committee Meeting were approved by those Members of the Committee present by a vote of 6 to 0 with the Chair and A. Eastman abstaining.

At 9:04 a.m. C. Carpenter joined the meeting.

4SQ FFI Williston LLC dba Fairfield Inn – Williston – Subchapter 5 (VEDA) – $2,000,000

M. Dussault explained 4SQ FFI Williston LLC of Williston is requesting a $2,000,000 Subchapter 5 loan. The loan will be secured by a mortgage on project land and building owned by 4SQ FFI Williston LLC and located at 2844 St. George Road, Williston, Vermont, a security interest in all 4SQ FFI Williston LLC now owned and hereafter acquired business assets, the assignment of Franchise Agreement from Marriott and the assignment of management contract between the 4SQ FFI Williston LLC and Jamsan Management (the property management company).
After discussion regarding average daily room rates, occupancy, revenue trends and the effects of the pandemic and gas prices on travel, the above loan request was approved by those Members of the Committee present by a vote of 8 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:

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.

Elysian Fields, LLC – Shoreham – Farm Ownership Loan (VACC) – $287,000

C. Leonard explained Elysian Fields, LLC of Shoreham is requesting $287,000 in VACC financing. The loan will be secured by a mortgage lien on approximately 300± acres of land and
the buildings thereon known as the Walter Pyle Farm Property and borders the north and south sides of Barnum Hill Road in Shoreham, Vermont.

After discussion regarding Stonyfield milk producers, milk prices, the increased fuel and fertilizer costs for farms and the strength of farm management, on a motion by T. Foster, seconded by E. Delhagen, the above loan request was approved by those Members of the Committee present by a vote of 8 to 0 with the Chair abstaining.

Other Business

C. Polhemus explained Governor Scott signed S.11, which includes the VEDA Short Term Forgivable Loan Program, into law. She explained staff is working to roll this out, noting there is much interest in this program.

Next, C. Polhemus explained L. Graves, a long-serving Member of the Board, will not be renewing his appointment when his term expires in June 2022. She noted this will leave two vacancies on the Board.

Lastly, C. Polhemus explained the June 24, 2022 Board Meeting day will include the Executive Committee Meeting, the regular Board Meeting and time for a photographer to take photos of the Members for the Annual Report. She reminded Members a lunch will also be provided to honor D. Kurzman’s service and commitment to the Authority. Lastly, she noted L. Graves will be unable to attend in June and a luncheon will be scheduled to honor him at a later date.

There being no other business to properly come before the Committee on a motion by T. Foster, seconded by E. Delhagen, the meeting adjourned at 9:39 a.m.

ATTEST: Vermont Economic Development Authority

By: Cassandra F. Polhemus, Chief Executive Officer