

Washington County Local Development Corporation  
Loan Review Committee - Meeting Minutes  
**Monday, August 16, 2021 – 1:00 p.m.**  
*Meeting held via zoom – recording available*

**Board Members Present:** Dave O'Brien, Dave Higby, Sam Hall and Jared Humiston  
**Staff Present:** Deanna Derway – WCLDC President

**I. Call to Order**

The meeting was called to order at 1:12 PM.

**II. Approval of Meeting Minutes**

After reviewing the minutes from the June meeting, Sam Hall made the motion to approve. Dave O'Brien seconded, and it was approved unanimously.

**III. Old Business**

**IV. New Business**

**A. Loan List Update/COVID Updates**

Bonnie & Clydes continues to struggle to make payments each month. They have been dealing with health issues after having COVID but, honestly, consistently had excuses for missed payments prior to this as well. They are talking about selling the business which we have the first and only mortgage on the property and equipment. They have a balance of just under \$60,000 combined. Deanna will continue to work with and assist them in order to find the best resolution to their situation. Croatan and Greenwich Preservation Group were both paid on 8/12 and are current. The owner of these is often out of the Country and catches up upon his return and communicates this. We will be reviewing both Roundhouse and Harrington's Care A Lot later in this meeting. Otherwise, the portfolio is in good shape.

**B. Roundhouse modification request:** Next, the Committee reviewed a modification request from Roundhouse Bakery which was forced to close the cafe due to COVID. They were able to pay off one of their loans earlier this year and are proposing to pay \$100 a month towards the remaining principal balance (balance is just over \$32,000) as they build up the bakery business at the farm. They asked for either 1 or 2 years of this arrangement with the understanding that they are responsible for the remaining balance at the end of whatever period is granted. The Committee discussed this at length and Dave O'Brien made a motion to approve \$100 per month for a 12-month period. Sam Hall Seconded and it was approved by Mr. O'Brien, Mr. Hall and Mr. Humiston with Mr. Higby recusing himself due to the close relationship with the owners. The committee then discussed that at the end of this term the balance and their circumstances will be re-reviewed to determine how it will be handled.

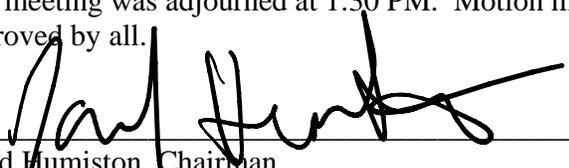
**C. Discuss Harrington's Care A Lot:** This continues to drag on and after long discussions with the LDC attorney about this situation, he recommended that we approve him sending a letter to Attorney Fitzgerald stating that upon review of the everything it is apparent that the project is going to be drawn out for a long period of time. Also, that the LDC is not willing to incur the additional loss because of the passage of time. Therefore, unless some proof is given that the purchaser does have financing for the purchase, the LDC will withdraw its approval of any "short sale" and demand payment in full of the entire mortgage debt. We discussed this and agree with all of it and doing whatever we can to bring this to some sort of resolution as quick as possible. Dave O'Brien made a motion to approve this letter being sent on our behalf. Dave Higby seconded and it was approved unanimously.

**D. Miscellaneous:** Deanna has been slowly working on site visits as it has been difficult with the continuous COVID changes. Deanna also wanted to let the Committee know that now that Wallie's has been able to open, they have created 33 new jobs! They proposed creating 20 by a sooner date but, had their timeline pushed back due to COVID (they were set to open at the very

start of COVID). This is great news and important as this loan account was listed in the State Comptrollers Report as not meeting the job creation requirements.

**V. Adjournment**

The meeting was adjourned at 1:30 PM. Motion made by Dave O'Brien, seconded by Dave Higby and approved by all.

  
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Jared Humiston, Chairman

1/25/2022

Date

*Respectfully submitted by, Deanna Derway, Executive Director*