

Board Members Present Virtually: Christie Nakano, Larry Dolhof, Shellie Marks, Tim Petersen, Eric Virkler, Mick Lehman, and Terry Thisse

Absent: Tyler McDonald, Jessica Clemons, Mike Bradish, and Eric Sunderhaft

Others present: Cheyenne Steria, Jenna Lauraine, and Brittany Davis

- I. **Call to Order** – Meeting called to order by Chairman Petersen at 2:05pm

- II. **BRVN Updates**
 - a. Executive Committee and LCDC Staff met with Black River Valley Natural and their new partners, the Grimshaws to discuss the counteroffer for the Lyons Falls sites agreed upon by the LCDC Board. Black River Valley Natural has requested a change to the proposal, siting bank financing concerns with the non-building site assessed at \$22,000. BRVN's new proposal is \$100,000 cash for the parcel with the building, extended all the way back to the river (the blue dotted line in Exhibit A) with two years first right of refusal to allow them time to retain financing to lease to own the remainder of the mill site.
 - b. Cheyenne provided a financial analysis for this new scenario. The \$100,000 for the sale of the building would get rid of the mortgage on the BRVN building. In this case, the LCDC would retain the KE Data lease as income on the property. With the anticipated SAM grant for \$200,000 coming in, the LCDC would also be able to pay of the DANC line of credit and reduce the DANC loan to \$140,000. In this scenario, the LCDC would also retain responsibility to develop the remainder of the property.
 - c. The board discussed the structure of the agreement and reducing the risk by including language in the contracts to recapture the property if the business does not succeed. The LCDC needs legal guidance on the agreements.
 - i. Can the LCDC have recapture the property or have first right of refusal if BRVN defaults?
 - ii. Can the LCDC defer surveying costs to the buyer for redrawing the tax parcels and reconfiguring easements?
 - d. A motion to approve the sale of the blue lined parcel in Exhibit A for \$100,000 to Black River Valley Natural; and offering BRVN two-years to develop a plan to purchase the remainder of the site and/or providing first right of refusal of the remainder of the site; all contingent upon legal approval and review prior to drafting a contract was made by

Mick Lehman seconded Larry Dolhof. All present were in favor and motion carries.

- e. Staff will provide updates to BRVN and get with Ian Gilbert to discuss legal questions. The LCDC Executive Committee will meet for follow up discussion as needed.

III. **Adjourned at 3:02pm**

Respectfully submitted,



Eric Virkler
LCDC Secretary