

**Jefferson County Local Development Corporation
Loan Review Committee Meeting Minutes
June 23, 2021**

Present: Christine Powers, David Converse
Zoom: Robert Aliasso, Chair; John Jennings

Absent: Kent Burto

Also Present: David Zembiec, Marshall Weir, Lyle Eaton, Peggy Sampson, Joy Nuffer, Jay Matteson, Rob Aiken

Zoom: Gaillard Schmidt, Justin Taylor, Justin Miller, Esq.

- I. Call to Order:** Chair Aliasso convened the meeting at 8:00 a.m.
- II. Pledge of Allegiance**
- III. Clayton Yacht Club** – A request for a \$40,000 loan to be used for repairs from damage due to high water flooding during the spring and summer of 2019. Staff reviewed the request and recommended approval with interest only for one year, then 3% for 5 years. Collateral will be a second lien position behind Community Bank on assets of the business. There are currently 5 seasonal positions.

Mr. Taylor said the loan will be used to support the repairs and said it will help meet their local match requirement for the REDI grant funding.

In reviewing their financials, Mr. Jennings asked if the club makes loans to members. Mr. Schmidt said that the members had made loans to the club.

Ms. Powers asked if they need to repay the loan on a seasonal basis. Mr. Schmidt said they don't have a problem paying monthly.

Mr. Aliasso suggested amendments to the draft resolution to indicate that the repairs have been completed and make the connection to the REDI grant.

After review and discussion, a motion was made by Ms. Powers to move the request and the amended draft resolution to the full board, seconded by Mr. Jennings. All in favor.

- IV. LCO Destiny LLC** – A request for a modification to the revolving loan to pay \$2,000 per month. LCO Destiny lost a major client and has been affected by the COVID-19 pandemic. The current balance is \$88,673.83. Prior to the interest only periods, the monthly payment was \$11,322.74. Staff reviewed the request and recommended approval.

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Mr. Aliasso pointed out that the loan is set to balloon this July. He suggested that we amortize for one year then revisit. Mr. Zembiec said that one of their buildings is for sale. He said that it could be a contingency that if the building sells, then they will pay off the loan. He also said that he agrees that we should revisit the request after one year.

The draft resolution will be amended to include that the \$2,000 monthly payment will be amortized over 12 months then balloon for full payment in July 2022 in addition to the sale of the building contingency.

After review and discussion, a motion was made by Mr. Converse to move the request and the amended draft resolution to the full board, seconded by Mr. Jennings. All in favor.

V. Other:

1. Sponsorship – Mr. Converse said that he proposes a \$2,000 sponsorship to the Jefferson County Fair. He said that they will promote our video and other marketing materials. It was noted that the sponsorship will come out of the current marketing budget. A motion was made by Mr. Aliasso, seconded by Ms. Powers. All in favor.

VI. Adjournment: With no further business before the Committee, Mr. Jennings made a motion to adjourn the meeting, seconded by Ms. Powers. The meeting adjourned at 8:15 a.m.

Respectfully submitted,

Peggy Sampson